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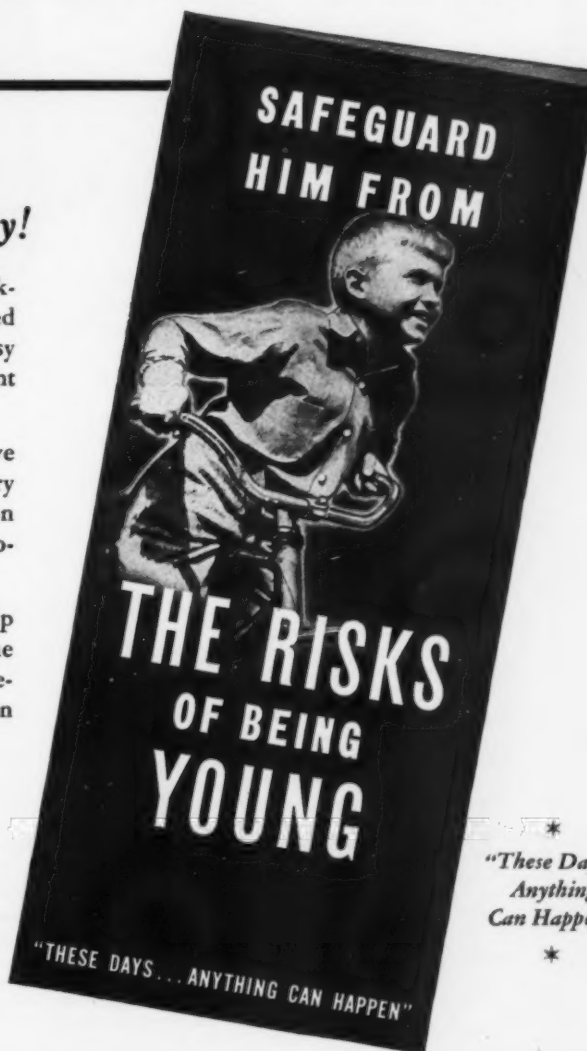
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"These Days..
Anything
Can Happen"
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ACCIDENT AND CASUALTY INSURANCE COMPANY

of Winterthur, Switzerland

UNITED STATES HEAD OFFICE • 111 JOHN STREET, NEW YORK CITY

OGDEN DAVIDSON, United States Manager

CHARLES A. BARKIE, United States Assistant Manager

INDIANA AGENTS CONVENTION

THURSDAY, OCTOBER 29, 1942

FIRE · MARINE · CASUALTY · SURETY
Loyalty Group
 INSURANCE

We Are at War—

War against Ruthlessness, Destruction and Tyranny. To win this war we must all work harder and closer together—we must produce and we must fight—we can win.

Insurance can be counted on to do its part—to protect life, property and production.

Insurance agents and brokers are soldiers on the home front—the men and women who are writing the insurance protection so essential in peacetime and so vital in war time.

The Loyalty Group salutes the insurance producer. For 90 years we have been protecting our policyholders against loss and we pledge our continued services to their Security and the Security of our Nation.

"Loyalty" means Fidelity and Faithfulness to our country, to our insured and to our agents and brokers.

John R. Cooney
 President



Firemen's Insurance Company of Newark, N. J.
 Organized 1855

The Girard Fire & Marine Insurance Company
 Organized 1853

National-Ben Franklin Fire Insurance Company
 Organized 1866

The Concordia Fire Insurance Co. of Milwaukee
 Organized 1870

Milwaukee Mechanics' Insurance Company
 Organized 1852

Royal Plate Glass & General Ins. Co. of Canada
 Organized 1906

The Metropolitan Casualty Insurance Co. of N. Y.
 Organized 1874

Commercial Casualty Insurance Company
 Organized 1909

Pittsburgh Underwriters - Keystone Underwriters

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Western Department
 120 So. LaSalle St.
 Chicago, Illinois

Southwestern Dept.
 912 Commerce St.
 Dallas, Texas

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 Canadian Departments
 461 Bay St., Toronto, Ontario
 404 West Hastings St., Vancouver, B. C.

Foreign Department
 111 John St.
 New York, New York

Pacific Department
 220 Bush St.
 San Francisco, Cal.

★ BUY WAR BONDS ★

The NATIONAL UNDERWRITER

Forty-sixth Year—No. 44

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, OCTOBER 29, 1942

\$4.00 Year, 20 Cents a Copy

Vickery Sees Much Enlargement of the Merchant Marine

Has Great Vision of the Possibilities in the Post War Era

NEW YORK—Marine underwriters were much gratified at the visions of a vastly expanded postwar American merchant marine largely insured in the United States market which Admiral H. L. Vickery, vice-chairman of the Maritime Commission and deputy war shipping administrator conjured up in his talk at the annual luncheon of the American Institute of Marine Underwriters. Admiral Vickery said the new merchant marine would be American built and American operated and he called on the underwriters to plan for the future and prepare to obtain their fair share of the insurance coverage.

Fresh Start in Shipping

"There will be many new ships, safe, well manned—a fresh start in the shipping world," he declared. "Then let your plans be based on a fresh start, too. Figure on nothing less than making our merchant marine all American."

"It is not alone a question of self-sufficiency. Neither is there any objection to normal international commercial relationships, for we are fighting, among other things to insure fair treatment to all, in all of the markets of the world. But reinsurance, in my opinion should be a two-way street."

"I often wonder if some American underwriters are not resigned to playing second fiddle in the marine insurance field. Such resignation might be understandable, although it is hardly in accord with the Yankee tradition. But I am confident they all want to see American shipping American insured. I intend to do my part, I assure you, to see that it shall be."

Though pleased with the prospects sketched by Admiral Vickery, a number of those present hoped privately that the help which Admiral Vickery or the government might give would not take the form of restricting even slightly the complete freedom of insured to place their business here or abroad as they may see fit. If the government were to bring any pressure at all to force American shipping to insure exclusively or even predominantly in the American market it is feared that there might be many widespread complications.

Prefer American Shippers

One consideration is that although American rates have long been consistently somewhat higher than British rates a substantial share of ship owners and shippers prefer to deal with American insurers for various reasons, including greater convenience and the ability to bring suit in American courts in the

(CONTINUED ON LAST PAGE)

Gas Hoarders and Insurance

Insurers Disposed Not to Take Technical Position on Coverage

In view of the impending extension of gasoline rationing throughout the nation, interest is taken in the now unrationed areas on the part of insurance men as to whether the presence of quantities of gasoline on the premises of the assured purchased and stored to supplement the rationed allowance, will be held by the fire insurance companies to constitute a violation of the policy provisions and be used to deny liability in the event of fire. In the east there has been considerable hoarding of gasoline in this way but superficial inquiry indicates that the issue as to fire insurance company coverage has not arisen. Very likely if there should be a loss the attitude of the company would be governed by the circumstances. For instance if an assured were keeping several drums of gasoline on hand and selling it surreptitiously to his neighbors, the insurance company might very well decide to deny liability. But if it were discovered that the assured merely had an excess supply of five gallons of gasoline in a can in the garage, the question would probably not be raised.

When gasoline rationing went into effect in the east, the public authorities in certain places sought to discourage hoarding by saying that motorists who engaged in this practice were jeopardizing their fire insurance protection. As a matter of public policy the fire insurance companies probably could not afford to say that they would not take a technical stand but as a practical matter it seems safe to say that the policyholder who is not flagrantly violating the rules of safety will be able to collect.

Tells Story on Self

A prominent fire insurance executive in New York was questioned on this point. In reply he said that last Sunday he went to the store room in his apartment building to get his Prestone which he had been conserving from last season and he saw in the store room another five gallon can filled with some fluid. He questioned the maid about this and she said that it was high test gasoline which had been presented to this executive by the caretaker of his place in New England. That was his way of saying that his company at least would take a very liberal attitude in loss settlements.

R. K. Hill's Comment

R. K. Hill of the Chicago office of Springfield F. & M. was asked that question at the meeting of the Ohio Association of Insurance Agents in Columbus last week during a question and answer forum. Mr. Hill expressed the opinion that if the storage of gasoline in small quantities became a general practice, the insurance companies would probably take the position that this was a common hazard and that they would not deny liability.

National Board's Counsel Is Dead

J. Henry Doyle Expires at His Summer Home at Del Norte, Colo.

J. Henry Doyle of New York City, general counsel of the National Board, died Tuesday at his summer home at Del Norte, Colo., where he had been living since July. He made an annual pilgrimage to this place and enjoyed the experience there. Mr. Doyle had been suffering more or less from a heart ailment and a few weeks ago had a more serious attack. It was certain that he would be incapacitated for further duties but his death was not expected.



J. H. Doyle

Mr. Doyle became general counsel of the National Board May 1, 1927. He succeeded O. B. Ryon of Streator, Ill., who held the position for 15 years and then became consulting counsel. Mr. Doyle had been associate counsel since 1922, in New York City. Prior to his appointment as assistant general counsel in 1914 he was connected with the Illinois fire marshal's office as special attorney. At that time F. B. Morgaridge, later assistant general manager of the National Board, was deputy state fire marshal and Walter H. Bennett, secretary National Association of Insurance Agents, was state fire marshal.

Mr. Doyle virtually grew up with the National Board. Eight years of efficient work in connection with legislation and litigation in the east and south and his clear cut analysis of legislation affecting insurance earned for him his appointment in 1922 as associate counsel.

Mr. Doyle was born in Carlinville, Ill., April 27, 1875, and was educated at the University of Illinois. His early years were spent in acquiring a knowledge of the railroad business but evidently his early bent was not followed for in 1910 he was admitted to the bar in Illinois. From that time his connections were closely allied with those of the insurance business. When Mr. Doyle became general counsel he assumed jurisdiction over the National Board's legal department all over the country.

His brother, the late C. J. (Tip) Doyle, was located at Springfield as associate counsel of the National Board.

Notable among the achievements of Mr. Doyle on behalf of the insurance industry was his argument before a congressional committee some years ago opposing a bill that would prevent the removal of cases from state to federal courts. When he finished his allotted period, the railway and other interests waived their time, asking him to continue. The measure was killed in committee. He was an authority on federal and state revenue laws and

Closer Working Ties Between F. I. A. and N. A. I. A.

Agents' Executive Committee Hears C. W. Pierce; No Mid-year Meeting

NEW YORK—An explanation of the reorganization and consolidation plan of the three territorial factory insurance associations was explained to the executive committee of the National Association of Insurance Agents by C. W. Pierce, president of the Factory Insurance Association, during the committee's first meeting under the new constitution here, Oct. 23-27.

Mr. Pierce sees an era of better relations between the F.I.A. and agents. He discussed fully the consolidation plan and the recent action of Defense Plant Corporation in requesting a reduction in rates and commissions. He will, he said, recommend to the board of directors of the F.I.A. the appointment of a standing conference committee to consult frequently with the N.A.I.A. In turn, the executive committee of the National association will appoint a special conference committee to meet with the F.I.A. group.

In view of the transportation and hotel difficulties which are daily becoming more severe, the executive committee voted to abandon next year's general mid-year membership session, although a meeting of the national board of state directors was called as prescribed in the constitution. The date for the mid-year board meeting was left to President David A. North of New Haven, with directions that it be set the first part of next February if possible. The meeting place will be determined by Mr. North.

Mr. Pierce appeared before the committee, on invitation of Mr. North, for a frank discussion of the role of the agent placing lines in the F.I.A. in relation to government projects, especially the recent action of the Defense Plant Corporation in requesting and receiving from the F.I.A. a general "war emergency" reduction in rates of 10 percent and a lowering of commission to 5 percent to producers.

In granting the reductions the producer's viewpoint was not considered, the committee felt. Agents were not consulted, the opportunity was not given for agents

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often aided in drafting measures of such character.

Rules on Salesman's Floater

NEW YORK—Upholding the trial court, the appellate term of the supreme court of New York held that a salesman's floater form "B" attached to a transportation policy did not cover loss of property of the assured while in the parcel room of a railway station. The case was that of Leon W. Bahr vs. Fidelity & Guaranty Fire.

Must Supply Water Damage Insurance

Demand Is Made on the Contractors by Federal Authorities

NEW YORK—In seeking indemnity from contractors making uniforms for the armed forces and supplies of related character, the federal government requires that the covering policies include, in addition to the fire and general transit hazards, liability for damage resulting from rain, broken pipes or like cause. Unless an affidavit is furnished stating that the manufacturing plant is distant at least 100 feet from a river or stream, flood insurance as well is demanded. The business is written under standard inland marine insurance forms, each submitted risk being specifically rated by the garment rating committee of the Inland Marine Underwriters Association. From the base rate, charges are made for deficiencies, and credits given for desirable hazard reducing factors.

An endorsement to the policy stipulates that loss, if any, be payable to the government as its interest may appear. It is further declared that a policy may not be canceled unless at least 20 days notice of such intention be given the authorities in Washington. No company, so far as can be learned, is writing straight flood insurance, although such hazard is covered incidentally in connection with the schedules of a few of the large store risks.

Mutual Engineers Elect H. L. Hunt as President

H. L. Hunt of the engineering staff of Indiana Lumbermen's Mutual was elected president of the Association of Mutual Fire Insurance Engineers at its annual meeting in Chicago. First vice-president is W. C. Ross, Philadelphia Contributionship. Don John, Mutual Fire Insurance Agency, Louisville, was chosen second vice-president. R. D. MacDaniel, Grain Dealers National Mutual, was reelected secretary-treasurer, and W. H. Rodda of the Chicago staff of the American Mutual Alliance was reelected technical secretary.

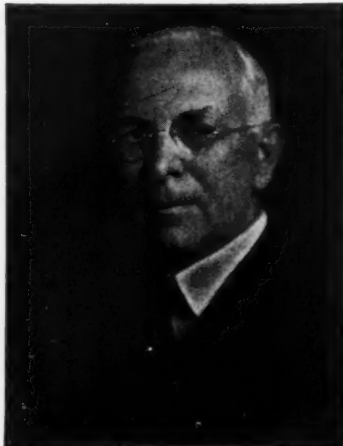
Only four speakers appeared on the formal program, Col. Crosby Field of the safety division of the army ordnance department; Gordon Davis, manager of the loss research division of the Federation of Mutual Fire Insurance Companies, Chicago; John A. Neale, chief engineer of the Underwriters Laboratories, Chicago, and the retiring president, J. L. Booty, Implement Dealers Mutual Fire, Grand Forks, N. D.

Considerable interest was manifested in reports upon the methods currently being used by Wisconsin farmers in fighting spontaneous ignition hayloft fires with carbon dioxide. The gas, tanks of which are readily available in most localities, is forced to the heated center of the hay pile through a perforated pipe and has not only a cooling effect but also deprives the fire of oxygen. The pile then can be overhauled with little danger of fire breaking out. The method was of interest largely because of its probable adaptability to the fighting of such fires in coal piles, present conditions having resulted in much larger storage of coal in dwellings and in non-fire resistant structures than in the past.

Commissioner Caminetti of California has approved the name "Fire Insurance Exchange" for a fire reciprocal which is being organized by interests affiliated with Farmers Automobile Inter-Insurance Exchange of Los Angeles.

Henne Chairman Supervisory Group

DENVER—E. A. Henne, America Fore, Chicago, was elected chairman of the supervisory committee of the Rocky Mountain Supervisory Committee. He succeeds W. N. Achenbach, Aetna Fire. Other members of the committee in-



E. A. HENNE

clude Mr. Achenbach, A. F. Powrie, Fire Association, and Harold Smith, president of Home, from the W. U. A.

Pacific Coast members include Ray Decker, Royal-Liverpool group, who was reelected vice-chairman; J. C. Bunyan, Commercial Union, and C. C. Hannah, vice-president of Fireman's Fund. Frederic Williams of Denver was reelected secretary of the Rocky Mountain Fire Underwriters Association.

In connection with the meeting, two officials of the Mountain States Inspection Bureau, Walter J. Kulp, manager, and Lee A. Barley, chief engineer, announced their retirement. Mr. Kulp has been bureau manager for 13 years. He will take a long vacation to regain his health before making plans for the future.

Mr. Barley was electrical inspector in the Oklahoma Bureau from 1901 to 1913, and has been associated with the Mountain States Bureau since that time. He will make his home temporarily with his son in El Paso, Tex.

Harold M. Mack, assistant manager,

Motion to Quash Likely to Be Made in Atlanta Probe

ATLANTA, GA.—The motion to quash the subpoenas served on 13 fire insurance associations is expected to be presented in United States district court here this week. The motion and briefs to be filed with Judge Underwood will represent the first indication of the line of defense to be offered by the stock fire insurance industry. The impression prevails that the motion to quash will be based on the Paul vs. Virginia case. The probable rejoinder of the anti-trust division will be that a grand jury may investigate anything, citing the Blair case.

Keep Witnesses in Dark

Special Assistant Attorneys General F. H. Elmore, Jr., and R. J. Hyder, in charge of the grand jury probe of stock fire companies and organizations still maintain a policy of secrecy so far as witnesses are concerned but among those who appeared before the grand jury were W. W. Woodbridge, Washington, D. C., representing the Red Cedar Association of Seattle; S. J. Fisher, Asheville, N. C., local agent; U. C. Roper, Atlanta, special agent Central Manufacturers Mutual; W. E. Mitchell, deputy insurance commissioner of Georgia. Other witnesses could not be identified. It is interesting to note that in some cases the subpoenas on witnesses were served after they had testified.

Owing to the witnesses that are known to have appeared it would seem that the anti-trust division intends to rely on the testimony of individuals who have brought complaints about specified acts of either companies or organizations. The Red Cedar Association, for example, has been seeking a lower rate in the southeast on construction in which shingles produced by its members are used. Agent Fisher of Asheville added a number of companies recently to his agency which pay higher commissions. This resulted in his original companies withdrawing from the agency. He is a

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connected with the bureau for the past 15 years, was named manager. No successor to Mr. Barley has been decided upon.

THIS WEEK IN INSURANCE

Closer cooperation between factory insurance associations and producers is expected as result of conference of C. W. Pierce, president of F.I.A., and National Association of Insurance Agents executive committee. **Page 1**

J. H. Doyle, general counsel National Board, died this week in Colorado. **Page 1**

Figures are given showing the result of war risk marine insurance on shipping as of Sept. 30. **Page 3**

Many topics of importance are considered at the Massachusetts Association of Insurance Agents convention. **Page 3**

Ontario Fire & Casualty Agents Association holds annual convention in Toronto. **Page 3**

Policy of secrecy maintained as to witnesses appearing before the Atlanta grand jury probing into stock fire companies and associations. **Page 2**

Water damage insurance must be supplied by contractors making uniforms or other similar supplies for the armed forces. **Page 2**

The companies have appealed to the U. S. Supreme Court to review a U. S. circuit court ruling on the Missouri rate case where policyholders were to be reimbursed. **Page 2**

Insurance Superintendent Lloyd of Ohio in his talk before the Ohio Association of Insurance Agents commented on handling business of agents who enter the armed services. **Page 4**

Indiana Association of Insurance Agents holds its annual meeting in Indianapolis. **Page 8**

B. O. Selbach, well known San Francisco general agent, is dead. **Page 12**

Gasoline storage and its effect on fire insurance policies reviewed. **Page 10**

Marine underwriters are much gratified at the prospects for a vastly expanded post-war American merchant marine. **Page 1**

H. L. Hunt elected president Association of Mutual Fire Insurance Engineers. **Page 2**

Status of agent under the job cover laws being considered in New Jersey. **Page 4**

Automobile rate developments include new revision by American Auto to meet National Bureau of Casualty & Surety reductions and deeply cut medical payment rates by the bureau. **Page 10**

P. M. Anderson, former Oriental manager of Occidental Life of California, tells how American and English insurers in Shanghai were "liquidated." **Page 21**

Committee on interstate rating of casualty risks is now delving deeply into the subject. **Page 21**

E. V. Mitchell of Chicago, general counsel of Continental Casualty, died last week. **Page 20**

Mutuals are taxed under new federal revenue act. **Page 19**

Arthur E. Peterson, president of Service Fire of New York, becomes controller of Continental Casualty and Continental Assurance. **Page 19**

Close study continues to be given by the New York Compensation Rating Board to the three principal retrospective rating plans that were brought out by the National Bureau in May. **Page 20**

New rates showing substantial reduction from old ones for medical coverage endorsed on automobile bodily injury and liability policy have been promulgated by the National Bureau of Casualty & Surety Underwriters. **Page 20**

California Agents Program Nov. 9-11 Is Announced

The program for the annual convention of the California Association of Insurance Agents, to be held in Long Beach, Cal., Nov. 9-11, has been completed. Subject to possibly one or two minor changes it is:

Sunday, Nov. 8

Meeting of directors.

Monday, Nov. 9

First convention session, 2 p. m., President H. H. Hendren presiding. Address of welcome, mayor of Long Beach.

Greetings from Long Beach Insurance Association, Gordon M. Dougherty, president.

Address, Frank T. Homer, president Casualty & Surety Fieldmen's Association of Southern California.

"The Federal Government and Its Relation to the Insurance Business," "War Damage Insurance," "Pattern for Production by the Business Development Office."

Eugene Battles, Los Angeles, vice-chairman Agents Advisory Council B.D.O. Presentation of John T. Breckon, assistant director B.D.O.

"Our Responsibilities," C. M. Putnam, president Oakland Association of Insurance Agents.

"War Damage Insurance as a Premium Builder," Harry McClory, Sacramento, and Charles Brown, Sacramento.

"Advertising War Damage Insurance," Ira D. Wheeler, Santa Monica.

Forum: Charles E. Currey, Walter W. Bennett and Paul Ragan, Los Angeles; R. Victor Venberg, San Diego and Ward Brand, Whittier.

(The subject will be further presented by association leaders who have participated directly in many federal government requirements relating to insurance, followed by a general discussion to develop additional information and counsel in relation to past and future movements which have affected or will affect insurance agents.)

7 p. m., "Night in Callente," dinner and entertainment.

Tuesday, Nov. 10

Symposium on "Our War, Its Effect," and "Our Business, Its Defense," by Harold I. Callis, coordinator, Santa Barbara; Laurence Canfield, Santa Cruz; E. D. Bayerle, Pasadena, and Ernest Cochran, Fresno.

Afternoon Session, 2 p. m.

Executive session for agents only, C. W. Carpenter, vice-president, presiding. Reports of standing and special committees.

Free discussion of current problems. Annual meetings of California Association of Insurance Agents, Inc., and Insurance Institute of California, election of officers, etc.

Annual banquet, 7 p. m., installation of officers. Award of Wm. H. Menn achievement trophy and vice-president's membership trophy. Entertainment—dancing.

Wed., Nov. 11

Group Sessions, 10 a. m. Group A—Agents operating in rural and suburban areas, Walter W. Robinson, San Bernardino. Group B—Agents operating in metropolitan areas, Willson Pierce, Jr., Los Angeles.

Afternoon Session, 2 p. m.

"A. & H. Salesmanship as a War Job," George W. Kemper, Fireman's Fund Indemnity.

"Hot Shouting U. & O.," Wayland A. Dunham, Los Angeles.

"Fidelity Bonds," D. E. Gorton, Fidelity & Deposit, Los Angeles.

"What Is the Future of Automobile Insurance?" Wm. B. Glassick, Los Angeles.

Summary of convention, W. H. Menn, Los Angeles, past president National Association of Insurance Agents.

Report of resolutions committee. Adjournment.

Push War Damage in Peoria

A drive to acquaint residents of the Peoria, Ill., area with advantages of war damage insurance was started this week with the mailing of 30,000 letters explaining the plan by local agents.

Mass. Agents Hear Many Practical Talks

Compulsory Workmen's Compensation Still a Threat; Other Problems

Governor Saltonstall in speaking at the convention of the Massachusetts Association of Insurance Agents at Worcester last week, said that he knew of no time in history when insurance was more important for saving and conserving for the future. Much of the governor's talk centered about plans for after the war, because he believes that all forms of insurance will play an important part in maintaining financial stability both during and after the conflict. He said that in Massachusetts a special committee headed by Prof. Melvin T. Copeland of Harvard is studying industrial and commercial development plans for Massachusetts after the war.

Monopolistic Workmen's Compensation

Agents were warned by Edmund S. Oppenheimer, general manager Associated Insurance Agents & Brokers, that they might expect to face an initiative petition for state monopolistic workmen's compensation on the Massachusetts ballot at the next election. The petition of labor to have the initiative bill placed on the ballot this year was defeated when the insurance companies specifically checked each of 23,746 signatures, proving before the Massachusetts ballot commission that enough of these signatures were fraudulent or fraudulently obtained to invalidate the petition. Stock companies did half the interviewing work necessary and the mutual companies did the other half. Representatives of the companies interviewed about 15,000 people. Agents did not take part. Mr. Oppenheimer said that undoubtedly labor had learned from its experience and would probably turn in a petition next time with 100,000 signatures, too many to check and a sufficient number to guarantee that the bill would appear on the ballot. Consequently, he said, the agents will have plenty to do in seeking its defeat.

War Time Agency Problems

Harvey R. Preston, Springfield, led a discussion group which included Carlton I. Fisher, Providence; Francis R. A. McGlynn, Worcester, and Carroll K. Steele, Gloucester, in a review of war-time agency problems. Mr. Steele said initial soliciting of automobile liability business for 1943 indicated that agents would not lose nearly as much automobile business as they had expected to lose. He said that he has already begun his renewal work and has found almost no indication that many cars are going to be put up.

On the point of replacing premiums lost by storage of cars and lower rates, Mr. Steele suggested raising limits, adding collision and property damage coverage. He and Mr. Fisher both cited several catastrophe losses involving death and injuries to three and more people as evidence that every motorist faces the possibility of losses far beyond the normal \$5,000/\$10,000 limits.

Agency Operation

Mr. McGlynn said this is a good time for an agent to make an actual written hour by hour analysis of just what is being done in mechanical operations in his office in order to check their necessity and efficiency. Some time can be

(CONTINUED ON LAST PAGE)

Ontario Agents Reelect Kirby

Deal with Qualification, Other Matters, at Toronto Parley

TORONTO—John D. Kirby of Ottawa was reelected president of the Ontario Fire & Casualty Insurance Agents Association at its annual convention here.

A. A. Craise, St. Catharines, and A. R. M. Ritari, Sudbury, resigned as vice-presidents. The vice-presidents now consist of A. W. Dunlop, Kingston; W. H. Shaver, Midland; Frank Bliss, Hamilton; A. E. Thompson, Windsor, and John Kennedy, North Bay.

Agents' Qualification

S. O. Mason, chairman of the agents' qualification committee, said that agents should decide on two separate and distinct qualification plans: A correspondence course available for new agents entering the insurance business, and an educational plan for present members.

The first plan would be for new agents entering the fire and casualty business, and would have to be sponsored by the department of insurance. He suggested that the association recommend to the department that this plan be put into operation as soon as possible.

The alternate plan, he said, would be to recommend that the Canadian Federation of Insurance Agents be incorporated to publish, distribute and sell pamphlets, periodicals, journals, books and other literature relating to the business of general insurance; hold such examination on the principles and practices of general insurance or general educational attainments as may be found expedient, and to grant certificates of efficiency to its members.

Resolutions Passed

In many cases in Ontario, assured allow premiums to remain unpaid longer than 60 days, knowing that policies are kept in effect so long as they remain in their possession uncanceled. It is difficult at times to get the return of policies for cancellation. Too, a registered notice of cancellation gives the assured an additional 15 days insurance, usually free of charge. The North Bay association introduced a resolution at the convention asking that the insurance superintendent consider a new statutory condition in all policies providing automatic expiration at the end of 60 days. The resolution was referred to committee for report next year.

Another resolution adopted asks the association to petition the Ontario government for reciprocal agents' licensing arrangements between Ontario and adjoining provinces so that an agent licensed in Ontario may apply and have his license endorsed for the other provinces, avoiding payment of full license fees to more than one licensing authority.

One resolution called for incorporation of the Canadian Federation of Insurance Agents.

C.U.A. Spokesman Reports

The Canadian Underwriters Association has made several concessions to agents in Ontario in the matter of the agency registration forms, Robert L. Stalling, Canadian manager of Sun and official spokesman at the agents' convention for the C.U.A., stated. The forms place agencies in three categories according to the amount of business they give to tariff companies and bars them from all C.U.A. privileges if such percentage figures are not met.

One concession is permission to use an independent rather than a C.U.A. auditor, because some agents objected a C.U.A. audit would reveal non-tariff business figures.

(CONTINUED ON PAGE 26)

Seventy Years



JAMES Y. MILNE

James Y. Milne of New York, president Continental Reinsurance, has just observed his 70th birthday anniversary.

Word Is Expected Soon on Question of Ohio Reunion

The Cincinnati Fire Underwriters Association was on the point of seeking admission to the National Association of Insurance Agents as a body, but has now decided not to take this step in view of the possibility that the Ohio Association of Insurance Agents will soon return to the fold of the N. A. I. A.

At the Columbus convention of the Ohio agents last week Karl Dakin of Lebanon, the retiring president, stated that the trustees were in favor of reunion and it is indicated that the move may be made within the next month or two. If the Ohio agents decide again to become an N. A. I. A. unit, it will be necessary to revise the dues in Ohio to take care of the payments to the national organization and a program for increasing the dues will likely soon be devised.

Kemper Companies Get Fred Thomas and R. C. Erickson

The National Retailers Mutual Fire of Chicago has added two insurance specialists to complete the service facilities of this organization, Fred C. Thomas as vice-president and Roy C. Erickson as general adjuster.

In his capacity as vice-president Mr. Thomas will specialize in the solution of coverage problems of large building risks, and will devote a considerable portion of his time to the Building Owners Federation of Mutual Fire Insurance Companies.

Mr. Thomas has had 28 years of insurance experience, with the Chicago Board as assistant superintendent of rating and with J. S. Kemper organization since 1925. Since that time he has headed up the Lumbermen & Manufacturers Inspection Bureau of the organization and also has had considerable experience in the adjustment division.

Following more than 14 years' experience with Wagner & Glidden and Toplis & Harding, Mr. Erickson has joined the staff to specialize on automobile adjustments. Not only is he an expert in auto damage but also has had a background of inland marine and aircraft hull settlement.

Marine Companies See Credit Balance on War Risk Cover

Figures Are Presented Showing the Results Up to Sept. 30

NEW YORK—After three years of actual war experience, marine insurance companies which have written more than \$16,500,000,000 of war risk insurance on shipping had, as of Sept. 30, a credit balance on cargo war risk insurance which they are continuing to write and a debit balance on hull war risk operations which have been discontinued and taken over entirely by the War Shipping Administration.

Figures made public by the information committee of the American Institute of Marine Underwriters, show that the American Cargo War Risk Reinsurance Exchange as of Sept. 30, had a credit balance distributable to members of \$10,014,186. This represents the difference between net premium income, after all adjustments and exchange expense, of \$171,629,459 and losses paid and outstanding of \$161,615,273 for the entire period of exchange operations from inception in June, 1939 to the end of September, 1942. For the first 9 months of this year, net premium income on the same basis amounted to \$99,963,696 against losses of \$129,660,546 leaving a debit balance for this period of \$29,696,850.

Lag of Some Months

Since there is normally a lag of several months in determining premiums on business written under open contracts, the managers of the Cargo Exchange estimate that there were outstanding net premiums at the end of September in excess of \$20,000,000. As there is a much shorter lag in the report of losses it is expected that a substantial part of these outstanding premiums will be realized, thus reducing the debit balance for the 9 months of this year and increasing the actual credit balance shown on the books as of Sept. 30.

The American Marine Insurance Syndicate, which discontinued writing war risk hull insurance earlier this year and has practically wound up its war underwriting operations, showed as of Sept. 30 a debit balance of \$24,263,427, representing the difference between net premium income of \$35,737,892 and incurred losses of \$60,001,319 for the period from June, 1939 to the end of September, 1942. Only four ships now remain at risk with outstanding insurance of \$2,691,375. When final reports are available on these ships the syndicate's war risk operations will be written off.

Vast Sum Covered

From the inception of war risk insurance in June, 1939, to the end of September, 1942, the insurance companies had insured cargoes and vessels for a total of \$16,579,876,000. Cargo liabilities for this period aggregated approximately \$12,770,433,000 and hull liabilities \$3,809,443,000.

The peak of monthly losses incurred as the result of ship sinkings was reached in June of this year and since then the trend has been steadily downward, the committee revealed. This has been reflected in two recent general reductions in cargo war risk rates and another partial reduction; the first downward revisions since Pearl Harbor.

Despite these reductions, ocean war (CONTINUED ON PAGE 26)

Dallas Membership at All-Time High

Manager Johnson Warns of Storm Clouds Facing Business

DALLAS—The membership of the Dallas Insurance Agents Association has reached its high mark with 110 firm members, representing more than 500 fire and casualty producers, writing more than 80 percent of the city's business, President B. Felix Harris announced at the annual dinner meeting. Because of the national emergency and the vexing problems in Texas, due to rate reductions and commission arguments, it was decided not to adopt the new and more stringent constitution and by-laws at this time. Since the "in-or-out" rule is being contested in the courts of Texas, the Dallas association passed a resolution that its "in-or-out" rule, which has never been enforced, be suspended until such time as the state supreme court decides the issue, at which time the members may decide whether or not to retain such provision in their local rules.

With Paul Kirkpatrick and Tom P. Ellis as hold-over directors, the following new directors were elected for one year: John A. Barr, T. A. Blakeley, Fred Engler, Don H. Houseman, B. Felix Harris, J. W. Lindsley, Jr., Kenneth Mahoney, J. Perry Moon, Richard H. McLarry, and James Powers. New officers will be selected by this group.

WARNING BY JOHNSON

"Storm warnings for the American agency system are unmistakably clear," Manager Alfonso Johnson declared in his report. "Fortunately, you have safe harbors designed for your protection; these harbors are your local, state and National associations. The local agent who, in these days, hopes to sail the insurance sea by himself is in the same hazardous position as the ships that ventured out into the Gulf of Mexico in spite of the storm warnings."

"When the War department adopted the 'cost-plus-a-fixed-fee' plan for insurance, it started a windstorm that is not merely hot air—it has potentialities that are alarming. The 'insurance adviser' epidemic is a snare and a delusion; but in Texas, because of a strong state association, the adviser must be a licensed insurance agent. In the other states, outside of Texas and Florida, the adviser may be a lawyer, a carpenter, a street-car conductor or just the barnyard variety of a politician."

Shipping Agreement Dangerous

"The arrangement between the War Shipping Administration and the fire insurance companies whereby the companies become the agents of the government, working for a stipulated fee in the placing of insurance on imports is a real storm cloud that may capsize many a ship in the American agency fleet. It is indicative of the government's desire to change our method of selling and servicing insurance, and I am sorry to say, it also indicates that some of our companies are not adverse to acting as agents, when it is profitable for them to do so."

"A tidal wave threatens at Atlanta. The capital stock insurance system is not built on the sands but on a solid foundation. The storms may come and the winds may blow and they will beat upon that house, but capital stock insurance will not fall."

"Then we had a little squall right here in Texas. A large company which does not have agents but writes business direct asked the board of insurance commissioners to reduce the expense loading in workmen's compensation insurance from 17.5 percent to 13.07; if the board

Study Problem of Ohio Agents in Armed Services

Superintendent Lloyd of Ohio in addressing the luncheon meeting of the Ohio Association of Insurance Agents in Columbus, stated that the department is eager to work out some satisfactory system for handling the problem of agents who enter the armed services and desire to have their business continued in one way or another. He said that he has sought suggestions from the Ohio Association of Insurance Agents and Ohio Life Underwriters Association. Apparently the problem is not nearly as complicated insofar as life insurance is concerned as it is in the fire and casualty field.

Mr. Lloyd stated that there are two important considerations involved. In the first place the department is anxious not to have broken down the gains that have been made in raising the standards of insurance production and at the same time there must be given immediate, effective and worthwhile relief to the agent in uniform. At present the department is dealing with each case on an individual basis but Mr. Lloyd desires to have some definite procedure which can be uniformly followed.

The department so far has insisted that anyone who carries on the agent's business must be licensed as an agent in the regular way. It is not permitting a licensed solicitor to conduct agency functions and it has not been waiving examination requirements. The department feels that the giving of a power of attorney by an agent to an appointee, without the latter being an agent for the companies, is an inadequate procedure and may cause confusion and unfortunate consequences. The department feels that the agency function cannot be delegated by power of attorney and that serious questions would arise as to the power of the appointee to act should the agent be killed in action or be reported missing in action, for instance.

The department is eager to protect the agent who dons the uniform but it also feels that the problem must be faced in a realistic way.

Arne Fougner, secretary in the U. S. branch of Christiania General, the reinsurance company, is devoting more than half of his time to his duties as secretary and assistant director of the Royal Norwegian Selective Service Board in New York which has jurisdiction over Norwegian materials in Canada, the United States, Central and South America.

should agree to such a change, the producing agents of Texas would absorb practically all of the loss.

"We do not oppose the reduction of compensation rates but if the rates are too high the entire reduction should not come out of the agents' commission."

Interstate Study Progresses

The subcommittee on fire insurance that was appointed by Superintendent Pink of New York to look into the general question of interstate rating in the fire insurance field has held two meetings in New York. Chase Smith of National Retailers Mutual is chairman of this committee. It seems unlikely that this committee will be able to make a report at the December meeting of the insurance commissioners in other than very general terms. At least so far it is understood that the members are not disposed to recommend that the basic rates in the various jurisdictions for interstate risks be changed in any way but rather that the local inspection bureau rates be accepted. But the committee might recommend that there be introduced for such business a graduated expense formula.

Status of Agents Under Job Law

Subject Is Being Considered Before N. J. Commission

NEWARK — Hearings began this week before the New Jersey unemployment insurance commission on the status of fire insurance agents as employees under the state unemployment insurance act. While every state in which the question has so far come up has agreed that agents are independent contractors and not employees, New Jersey has interpreted its law very strictly. Apparently even a minute degree of control is sufficient to cause an independent contractor to be regarded as an employee under the law. The company involved is London & Lancashire. Hearings were held some months ago on the status of Travelers agents but no decision has been given. Apparently the state is going ahead on the ground that no matter what decision may be given in the Travelers case it will not apply to a purely fire insurance company.

New Jersey's attitude may be inferred from a recent ruling of the highest court, the court of errors and appeals, holding that Electrolux vacuum cleaner salesmen are employees under the act even though the contract between the salesman and the company specifically stated that the condition was not that of employment but of principal and independent contractor. The court held that the wording of the contract meant nothing and the only thing that counted was the actual conditions under which the salesman worked.

An earlier decision held that Fuller brush salesmen were employees although they were represented as being dealers

Missouri Rate Case Before High Court

Companies Seek a Review by U. S. Supreme Bench on Litigation

The United States Supreme Court is asked by 139 fire companies to decide whether policyholders are entitled to \$8,000,000 impounded in the federal district court of Kansas City in connection with the Missouri fire insurance rate controversy. Distribution to premium payers was ordered by the three-judge federal court at Kansas City and by the eighth U. S. circuit court of appeals. The amount represents increased rates collected and impounded pending a controversy over their validity.

The U. S. Supreme Court agreed on Oct. 12 to review the contempt of court conviction of T. J. Pendergast, former Democratic political boss at Kansas City, former Insurance Superintendent O'Malley and Local Agent Al McCormick of St. Louis on charges that they fraudulently obtained a court order awarding \$8,000,000 to the companies. The order later was set aside.

The companies sought to have an impartial judgment on the merits of the rate increase eliminating the bribery charge in which the late C. R. Street played an important role.

Hear Convention Reports in Toledo

The Toledo (O.) Association of Insurance Agents held its regular meeting Tuesday, with Leonard R. Spittler, president, and other Toledo delegates to the recent state convention in Columbus reporting the proceedings.

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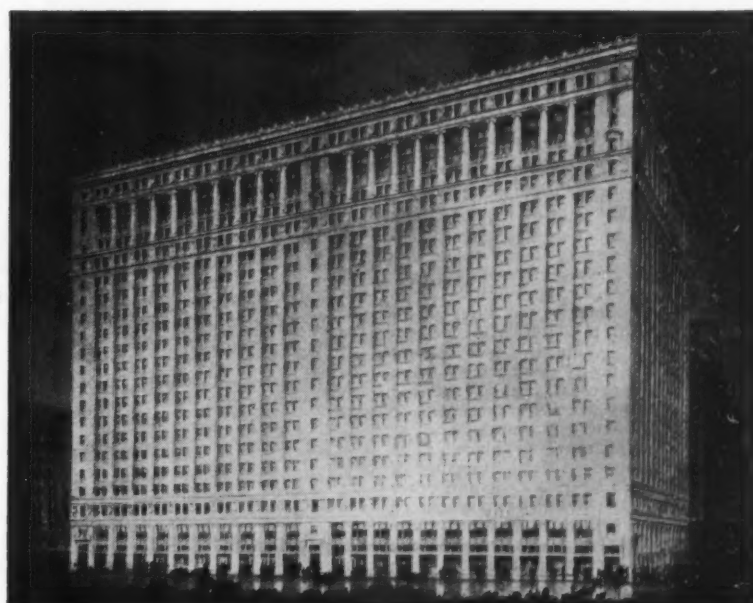
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NEWS OF FIELD MEN

Changes Made by Fireman's Fund

Special Agent Philemon Hoadley of Fireman's Fund in northern and central New Jersey, who has become a lieutenant in the naval reserve, is succeeded by Special Agent C. A. Fortman, who has been in eastern Pennsylvania. State Agent J. L. Lacher, assisted by Mr. Fortman and J. B. Kidder, has taken supervision over the automobile business in northern and central New Jersey in addition to the fire business, following the appointment of G. A. Dietrich, who formerly handled the automobile operations in that field, as assistant manager of the New York metropolitan office.

Yager Has Had Fine Insurance Experience

M. B. Yager, now traveling Indiana as state agent for the fire companies of the Phoenix of London group, in succession to the late W. R. Scaff, was previously with the Indianapolis general agency of Landers & Landers, before which he served as special agent of the Phoenix group in Michigan under State Agent O. D. Wiche. His business career started with the western department of Continental in Chicago in 1918, after which he was successively in the field for Firemen's and Pacific Fire, before connecting with Phoenix. John J. Campion, named Michigan state agent and chief aid to Mr. Wiche, formerly traveled the state for the Eagle Star, before which he was assistant secretary of Dearborn National.

American Shifts Field Work as Men Enter Service

American has granted K. L. Hingst, Minnesota state agent, a leave of absence to join the army Nov. 2. Special Agent John O. Jertson, formerly of Des Moines, has been transferred to Minnesota for the duration.

Special Agent Dene W. Zahn, Jr., Oshkosh, Wis., is joining the army, and State Agent G. A. Strasen will handle an enlarged territory.

Special Agent Charles K. Hughes, handling central Missouri territory out of Jefferson City, has joined the army air force. State Agent O. D. Cox of Kansas City and Special Agent R. L. La Boyteaux of St. Louis will absorb his duties.

State Agent Harold W. Williams and Special Agent W. H. Ogren in Illinois will take over the territory formerly supervised by Special Agent Paul H. Schminke who has joined the navy.

Westervelt Urges Ind. Field Men to Push War Damage

Fred W. Westervelt, Jr., assistant director of the Business Development Office, addressed a group of 107 field men at a luncheon meeting Monday in Indianapolis, impressing upon them the importance of pushing the sale of war damage insurance. It is definitely up to the insurance companies and their representatives to do this job, Mr. Westervelt declared. While the government concedes that a pretty good job has been done up to the present, it is urgent that the insurance program be presented to all property owners promptly and as much of this insurance be placed as is possible. He stressed the importance of having field men address civic and other organizations on this subject. The need is urgent, he said. He displayed some of the newspaper advertisements the B. D. O. has prepared, together with other publicity material.

It is likely a committee will be named

to steer the prompt development of this work in Indiana. Wm. R. Caskey, Travelers Fire, chairman of the B. D. O. committee in Indiana, presided and introduced Ross E. Coffin, Boston, Old Colony and Eagle Star, who presented Mr. Westervelt, stressing the importance of the message he was to deliver.

Mr. Westervelt gave a similar talk before the Indianapolis Association of Insurance Women Monday evening, pointing out the important part they can take in this program.

Westervelt Bay State Speaker

BOSTON—The Bay State Club was urged to cooperate 100 percent with the government in placing war damage insurance by F. W. Westervelt of the Business Development Office in a talk at the October meeting. He praised the Bay State club for its leadership in arranging discussion courses for agents the past two years. There is much more work to be done, however, in making the public acquainted with war damage coverage and wonderful sales oppor-

tunities for agents who make it a business to see clients and talk with them, he said. In fact it is an obligation of the agent to offer the new protection to all.

Lee W. Taylor, assistant manager of the Sprinkler Leakage Conference, was a guest.

DeVries on Executive Committee

G. H. DeVries, New York Underwriters state agent, Kansas City, Mo., has been named to the executive committee of the Kansas Fire Underwriters Association by President J. E. Mott, Great American, Wichita, succeeding Geo. McCullagh, Travelers Fire manager in Kansas City, who has joined the navy.

Kansas F. U. A. Meets Nov. 10

The Kansas Fire Underwriters Association will hold its next meeting in Topeka Nov. 10 because the regular date, Nov. 3, is election day.

Loyalty Changes in Texas

E. L. Stephens, who has been with the San Antonio office of the Loyalty companies as special agent, has been transferred to Dallas. He will be in charge

of the metropolitan district for the group. Jack Frazier, who has been in the southwest Texas field, will be in charge of all the southwest part of the state.

Will Review Rule Book Changes

Frank R. Middough, Ohio Inspection Bureau, will address the Ohio Stock Fire Insurance Speakers Association next week on changes in the rule book. James D. Lecky, Jr., Royal Exchange, presided at the meeting Monday and Carl Roggenkamp, Security of Iowa, and E. C. Knoop, Home, discussed: "Is the insurance field man doing his full part in the war effort as it pertains to insurance?"

MacKenzie with Travelers

John MacKenzie has been appointed special agent in the Hartford office of Travelers Fire. He will travel in Connecticut, Rhode Island and western Massachusetts.

A resident of Middletown, Conn., he has been with Royal Exchange since completing his education in 1926. For a time he was manager of its brokerage department in New York. Three years

SHE WON'T TALK!

Will You?

THE ENEMY HAS EARS

WE hope this poster will remind the insurance fraternity that it is in this fight too. They too must enlist in the silence campaign.

Copies of this poster, size 9 x 12 inches, will be furnished any insurance agent for window display

purposes. The Employers' Group imprint appears on the back of the poster. For copies write A. R. P. Department, The Employers' Group, 110 Milk Street, Boston. Please order by form number which is S428.



ago he was sent by that company to Connecticut as state agent.

California Issues Outlined

Several propositions to be voted on at the Nov. 3 election, including those of direct interest to insurance, were outlined to the San Francisco Blue Goose Monday by Sidney L. Weinstock, deputy insurance commissioner. Frank J. Agnew, public relations counsellor, was chairman.

Royal-Liverpool Shifts on Coast

Charles M. Rogers, special agent in charge of the Oakland, Cal., office of Royal-Liverpool, has been transferred to Phoenix, Ariz., to take over the duties of State Agent John R. Long, who joins the navy as an officer. Special Agent A. Pierce Amos of Arizona has joined the army.

Mr. Rogers will be succeeded in Oakland by Clifford Rafael, who has been working with State Agent James G. Rourke, covering the coast territories north and south of San Francisco. Mr. Rourke will hereafter cover the entire coast territory of northern California.

Gallagher Ohio Toastmaster

Eugene F. Gallagher of the Ohio Inspection Bureau has been selected as toastmaster for the dinner in Columbus Nov. 9 to commemorate the 35th anniversary of the Ohio Blue Goose. Of the 35 who have served as most loyal gander, 27 are still living and it is expected that 20 of these will be guests of honor at the dinner.

Previous to the banquet there will be a business meeting of the pond and several goslings will be initiated. This initiation is to be strictly formal.

Plan War Activity Luncheon

The Louisiana Blue Goose will hold a "war activity" luncheon in New Orleans Nov. 9. Members and their wives and members of the auxiliary will participate. Proceeds will go to war activities of the pond. Rev. Victor Dosogne of Loyola University, who served as a Belgian soldier and army chaplain on other fronts, will speak.

Dinner in Indiana for Etzel

The Indiana field staff of Home of New York called together a group of friends of Arthur J. Etzel for a farewell dinner, Monday evening. Mr. Etzel has gone to the home office in New York with the western department as assistant to Vice-president Peterson. He was in Indianapolis on a short visit. It took on the nature of a Blue Goose party as a number of the officers and members of the Indiana pond were present.

Seattle Blue Goose Meets

The Seattle Blue Goose held its monthly dinner meeting Oct. 26. A social hour, at which members celebrating their birthdays in October were hosts, preceded the dinner.

Twenty-two members of the Seattle pond are now serving in the armed forces.

Pierce to Address Field Men

President Willson Pierce, Jr., of the Insurance Exchange of Los Angeles will speak at the next meeting of the Southern California Fire Underwriters Association, Nov. 2. Officers will be elected.

Town Inspections Scheduled

Town inspections have been arranged in the following localities by the fire prevention associations of the respective states: Elkton, S. D., Nov. 10; Cordell, Okla., Nov. 12; Marshall, Minn., Nov. 5,

where R. E. Vernor of the Western Actuarial Bureau will be the speaker, and DeKalb, Ill., Nov. 12, at which J. Burr Taylor, Western Actuarial Bureau, will be the speaker.

Mo. Field Meetings Nov. 4-5

The Missouri Fire Underwriters Association will hold a meeting in Jefferson City Nov. 5. Fred W. Westervelt, Jr., assistant director of the Business Development Office, will present plans for instructing agents regarding war damage insurance.

The Missouri Fire Prevention Asso-

ciation will meet in Jefferson City Nov. 4.

State Agent Wager Retires

State Agent Fred W. Wager of Caledonian and Caledonian-American in Indiana is retiring Dec. 1 on the company's pension plan. His health has not been the best. He has been with the Caledonian for some 20 years.

Charles W. Barger, who has been appointed to succeed him, is a graduate of the Illinois Institute of Technology, taking the fire prevention engineering course. He has been state agent of Gulf

of Texas. His office will be at 512 Kahn building, Indianapolis.

Born in Valparaiso, Ind., Mr. Wager entered the insurance business in a local agency there about 1902. His first company connection was with Western Alliance of Chicago, after which he spent three years in the field for Western and British Assurance before going with the Caledonian in 1922.

Loyal Hayes, farm special agent of Home, was chairman of the Kansas Blue Goose luncheon in Topeka. Thirty members attended.



Whether or not we shall experience a direct enemy attack on the United States cannot be foretold. We know it is *not* impossible.

If it does happen, property is bound to be destroyed. And, if the owners do not have the special insurance offered by the War Damage Corporation, they may blame their insurance advisers.

No Agent or Broker can afford *not* to take an active part in selling War Damage insurance. Every property owner must be given the opportunity to buy or refuse to buy it. Figure out how you would explain to one of your clients, following a bombing, why you had never attempted to sell him war damage insurance. Could you defend your position as his insurance adviser?

Selling this War Damage insurance is not an "all work and no pay" proposition . . . not just a patriotic duty and

an obligation. It is an unusual opportunity for Agents and Brokers to contact their clients and prospects on an out-and-out service basis. It is our long-wanted chance to *prove* that we are not just "salesmen" . . . to demonstrate just what is meant by insurance agency service!

Use It To Sell More Insurance. In talking with property owners about War Damage insurance, you also have a real opportunity to discuss their other insurance requirements. Most people not only need to add War Damage insurance, but also need to increase their regular policies to cover today's higher property values. Use War Damage insurance to "get in" . . . then review your client's general needs to make certain that existing protection of home, business and personal property is adequate to meet wartime needs.

The job of promoting War Damage insurance has been made easy for you . . . use the free helps available from the Business Development Office, 116 John Street, New York.

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Indiana Agents Hold Annual Rally

Richardt Sees Great Need for Alertness Now

Also Urges Promotion of War Damage Cover Sales in Report

INDIANAPOLIS—Alert, wide-awake and competent agents with the proper knowledge to service their clients in an efficient manner are the ones that are going to be the real agents of tomorrow, Fred C. Richardt declared in his presidential report at the annual meeting of the Indiana Association of Insurance Agents here.

Personal salesmanship is of paramount importance at the present time both in producing and conserving business. Agents can make lifetime friends by helping clients whose business may be curtailed or stopped entirely in reducing their insurance cost wisely. "Check your clients' coverages often and do not hesitate to advise cancellation or reduction of coverage if you know that is the right thing to do," he said. "You may sacrifice a few dollars in commissions but you will certainly build up good will and that will last for years to come. Give your clients every possible saving at all times and watch their values in connection with fire and extended coverage insurance. It is of utmost importance that client's property be protected with the proper amount of insurance, especially in using the co-insurance clause. If a loss occurs and the full amount is not paid, you are most certainly going to be severely criticized by your client for failure to render proper service for which he has paid you in the form of commissions."

In reviewing the progress of the year, President Richardt announced a gain of 33 members with a total of 799. He commended Commissioner Viehmann and his staff for enforcing the agents' qualification program by eliminating unqualified agents.

Preparation for the next legislative session in January was urged by Mr. Richardt. He favors the enactment of an automobile financial responsibility law similar to the measures in New Hampshire and New York.

Agents should not let the sale of war damage insurance lag behind in Indiana "as it is of the utmost importance that we support the government to the limit of our ability to see that a large premium volume is produced on this class of business," he declared.

Commending the new constitution of the National association, Mr. Richardt said that he is convinced that a stronger, more militant and aggressive group will result which will have a great stabilizing influence within the business and will prove its worth as never before to the agents.

Convention Committee Heads

Dwight Pearce of Indianapolis was chairman of the general committee of the Indianapolis convention. Merrill Johnson of Marion headed the program committee; E. H. Forry of Indianapolis, advisory; C. D. Kessler, Peru, publicity; Edwin Lobbig, New Albany, reception. M. B. Mitchell of Linton was chairman of the sergeant-at-arms committee. The advisory committee consists of all ex-presidents.

Future Assured for Agent Who Knows and Serves

INDIANAPOLIS—In his talk on "Where Are You Going?" at the Wednesday morning session of the convention of the Indiana Association of Insurance Agents, James C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, said that the safest insurance against unforeseen changes is for an agent to make himself indispensable to his clients.

If he knows insurance thoroughly and has sold himself to his customers, his services will always be in demand, no matter what changes may be wrought in insurance or in methods of handling the business. Pointing out that the casualty and inland marine lines achieved their major growth after the last war, Mr. O'Connor said that in all probability new lines and new markets would arise after this conflict. At the same time, he said, producers should face the possibility that other irresistible social or economic forces may eliminate or diminish some of the present business, so it is important for an insurance man to be on the alert for the new lines to offset this.

Agents' Services Recognized

It is important to note, Mr. O'Connor said, that the discussions of organized buyers of insurance show no disposition to dispense with or underestimate the services of insurance producers. Large buyers, in fact, probably have a higher opinion of agents and brokers than do individuals and firms in moderate circumstances. It is also significant that the war department plan for insurance in connection with large war contracts, now generally adopted by government agencies, recognizes the services of the producer, writes his duties into the contract and compensates him by a payment separate from the premium for insurance proper.

At the same time, Mr. O'Connor pointed out, these buyers of insurance want value received and are disposed to pay something for nothing or to pay what they regard as excessive remuneration. While this attitude is still most prevalent with "big business" and perhaps the majority of producers have had no contact with it, there is every reason to assume that it will eventually work down to smaller buyers.

Influence of Army Plan

Mr. O'Connor said that in his opinion the influence of the war department plan on future insurance business cannot be overestimated. While officials in charge of this plan have disclaimed any idea of setting up precedents for the business and any other idea except meeting a specific emergency situation, the insurance business cannot ignore the fact that thousands of business men are acquiring experience with this method of buying insurance and know it has the blessing of the government. These same men will scatter into every conceivable type of business, large and small, and are not going to forget about the plan. If they demand some similar method for private business, they will undoubtedly get it. If one class of carriers will not provide it for them, another group sooner or later will do so.

Agency and Non-agency Carriers

There is no reason to assume or hope that either agency or non-agency carriers will pass out of the picture, Mr. O'Connor said. Both have furnished protection and service satisfactory to their assured and the assured has the final say. Mr. O'Connor praised the present attitude of agency companies and their agents toward the competitive picture, saying that realistic inquiry into such subjects as acquisition cost and duplication of service allowances on the part of agents and field men will, if continued, eventually bring about a solution. If all parties wish, he said, the agency carriers could operate on the principle of company employees providing most of the service and the agent becoming principally a "bird dog" who finds prospects. However, an agent could not expect much compensation on that basis and changes in the structure of insurance could easily eliminate him, while an agent on whom the public depends for service cannot be wiped out by any shift.



J. C. O'Connor

Two Commissioners Present Views on Current Problems

Viehmann and Lloyd on Program—Roy Duffus Speaks on Service

OFFICERS ELECTED

President and National Director — Fred C. Richardt, Evansville.

Chairman of the Board—Simpson M. Stoner, Greencastle.

Vice-presidents—Herman C. Wolff, Indianapolis; Howard Gescheidler, Hammond.

Secretary - Treasurer — George W. Mahoney, Indianapolis.

By IRVING WILLIAMS

INDIANAPOLIS—When President Fred C. Richardt, Evansville, called the first session of the 43rd annual convention of the Indiana Association of Insurance Agents to order Tuesday morning about 400 were present in the large assembly room of the Claypool hotel here. The meeting opened with a verse of "America," followed by invocation by Rev. Frederick R. Daries, Zion Evangelical Church.

Commissioner Frank J. Viehmann of Indiana extended a welcome and discussed some problems of the business that are peculiar to Indiana. "Contrary to the opinion of others who suggest the postponement of all meetings and conventions, he said, 'I believe that it is very important that these meetings on business should be held even with restricted travel and limited accommodations. Discussions of problems can best be heard and settled around a conference table, where each can meet and express his opinion.' He approved curtailing the time given to meetings and elimination of by-play.

Must Maintain Institutions

Those at home owe it to the men on distant battle fronts to preserve economic institutions here, he said. To allow a breakdown of the insurance structure would be a grave error.

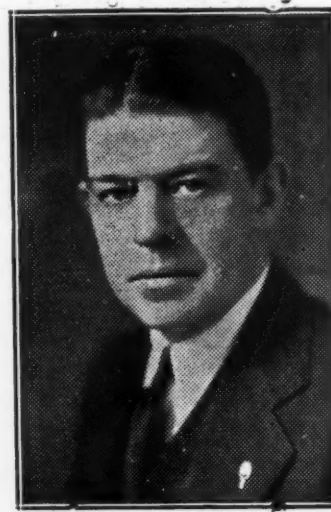
He said it has been his practice to consult with officers and members of the association on problems confronting the department. "I am deeply indebted to your organization," he declared. "I need it." He urged strengthening the association through an increase of membership. Attendance at local and state meetings should be the practice of every member, "not only to improve but to save your business, and I mean 'save'," he declared emphatically.

There are those who seek to destroy this business, he warned, and others who claim the remuneration agents receive is too high. The growth and development of the business is largely due to the good work of local agents, he declared. "A worthwhile agent who knows the insurance business and properly services his people is worth to the companies and to the insuring public more than the commission he receives," in the commissioner's opinion.

Over 50 percent of those who apply for agents' licenses are engaged in other business and openly admit they desire to sell insurance only to make



FRED C. RICHARDT, Evansville
Re-elected President



H. E. MCCLAIN, Indianapolis
Executive Secretary

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OFFER THE FOLLOWING FACILITIES

GENERAL CASUALTY LINES

**Residence and Personal Liability, including a
Special Family Liability Policy**

**Residence, Storekeepers' and all other
Standard Forms of Burglary Insurance**

Owners', Landlords' and Tenants' Liability

**Comprehensive General and Comprehensive
Auto Liability**

Manufacturers' and Contractors' Liability

**Owners' and Contractors' Protective,
Elevator, Product, Contractual Liability**

**Workmen's Compensation—Occupational
Diseases**

Standard and 50-50 Plan Plate Glass

FIRE and INLAND MARINE LINES

A Special Family Comprehensive Policy

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Real Personal Property Floater**

Commercial Floaters

Fire and Lightning

Wind, Tornado, and Hail

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Rent or Rental Value

Leasehold Interest

**Use and Occupancy and
Business Interruption Insurance**

If you are an agent in
Indiana—Wire or phone us
collect, for full information
about the many advantages
which these lines offer you. No ob-
ligation, of course.

AMERICAN STATES INSURANCE COMPANY
AMERICAN STATES FIRE INSURANCE COMPANY

Home Office: INDIANAPOLIS, INDIANA

DUDLEY R. GALLAHUE, Pres.

EDWARD F. GALLAHUE, Sec.-Treas.

extra money. Since examination of insurance agents was inaugurated in September, 1941, he reported, other than life insurance, there were 1,460 who sought licenses.

Licenses issued totaled 481; applications pending are 88; solicitors' applications pending total 114; failures after three examinations, 7; 770 applicants have been eliminated.

Of the 481 licensed, 330 were for health and accident, temporary licenses. Of these 82 qualified by passing within the allotted time.

Legislation of utmost importance to the business is planned for the coming legislature which he said should be faced with a strong front, much being detrimental. He urged cooperation in all patriotic local enterprises and cited the good work done by life agents in selling war bonds.

He discussed rate trends of various insurance coverages and the policy of the department to cooperate in all procedures which are regarded as sound.

President Richardt, instead of reading his annual report, referred his audience to the official program wherein this and other reports were printed in full.

Roy Duffus Speaks on Service

Roy A. Duffus, dynamic local agent of Rochester, N. Y., always a welcome personage on any agency program, spoke in his usual good form on "Service for Victory." He got a laugh when he reminded each married man present that he had made at least one successful sale and asked for a show of hands of those who were married. Then he asked for hands on those who had gotten a direct "I will" when he popped the question. Not so many hands showed.

For an hour Mr. Duffus poured practical sales suggestions on pretty nearly the whole range of insurance coverages that are stock in trade of the local agent. "The trained insurance man who services his business will have no stones thrown at him but will have a reputation as a good citizen in his community," he said.

He urged that agents cooperate with their companies as much of the problems of the business is common to both groups. However, he had a word to say on the appointment by companies of agents not properly qualified. These are dumped into the laps of local boards and must be educated as to proper agency practices.

"I'm starting a one-man filibuster against the short rate tables," Mr. Duffus declared, and made an itemized criticism of certain points in that table which are inconsistent.

He cited other conditions which exist in policies that are inconsistent. He says he is trying "to get the whipstock out of the automobile manual," and detailed some of the points he regarded as needful of attention. Importance of use of endorsements to accomplish proper coverage was stressed by Mr. Duffus. The several forms of liability insurance were described in some

B. D. O. Speaker



FRED W. WESTERVELT, JR.
New York City

detail as good sources of new business and he cited examples from his own experience.

Explains Gasoline Rationing

Mr. Duffus is a member of the gasoline rationing board and explained in detail the four books that are issued and how they bear on the business of local agents. The effect of rationing on auto insurance rates was explained. He showed a return postal card his office is using to bring these facts to car owners. This card reads:

"Dear Friend: Reduced wartime emergency liability insurance rates are now available on private passenger automobiles. Please indicate on the attached reply card the type of gasoline ration book you have received for your private car. This will enable us to give you the benefit of the reduction in rates."

The morning session closed with an eloquent address by Superintendent John A. Lloyd of Ohio, who discussed the topic, "The Insurance Industry Goes to War." The insurance business has met the problems produced by war in a remarkable spirit of patriotism, he asserted. "Companies and agents alike have submerged selfish interests to meet new responsibilities which have come with the necessity of providing wartime coverage for the protection of property of the people of this country," he said.

The war has demonstrated in a measure never before shown how essential insurance is in the functioning of the new American system of industrial production and political economy.

He paid tribute to Commissioner Viehmann on the courage he is showing in meeting issues. It is a time to be a little tough in settling questions, he said.

Mr. Lloyd reminded that the commissioners were in session in New

York City when Pearl Harbor shocked our people. While some favored immediate adjournment, a wiser counsel prevailed and it was agreed that the time had come when it was necessary to show how the commissioners' association could function more effectively than ever before.

He expressed the opinion that the prosecution by one government department against fire companies on an anti-trust charge might consistently be dropped until after the war. This was greeted with hearty applause. The business of insurance is being commended on its cooperation by another governmental department. An amazing job has been done in many territories in placing war damage and war risk marine insurance.

In Ohio, Mr. Lloyd said, property insurance to the value of 12 billions was placed in 1941. However, he has been doing some "revaluing of our possessions, our families and ourselves. What is anything of tangible worth today in our world that has crashed about our heads?" he asked. "I am quoting St. Paul," he said, "who wrote this, 'The things that are seen are temporal, the things that are unseen are eternal.'"

Stresses Spiritual Values

"What have I left that I know is mine?" he asked, and answered with a most impressive appeal for an appreciation of spiritual values. We must not lose our faith in our freedom. "If we lose our freedom," he declared, "it will be the blackest page in history since lightning rent the clouds on the first Good Friday. I think we still have an abiding faith in ourselves. We were given a republic which we still have—whether we keep that republic will depend on you and me."

"Sometimes, when night is blackest we need what some have described as 'Faith in God,' others as 'Faith in destiny' and by some as 'Faith in eternal right,' or whatever is one's faith that enables a man to walk through the valley of death."

Mr. Lloyd expanded this thought most impressively and sounded what one of the speakers later termed as a worthy theme of thought for the whole program. The applause which followed this address indicated that Mr. Lloyd had touched a very responsive chord.

Tuesday Afternoon Session

Harry E. McClain, executive secretary of the association, presided at the Tuesday afternoon session, and announced that W. O. Hildebrand, secretary-manager Michigan Association of Insurance Agents, who was to have been the first speaker was unable to be present.

Miss Betty Augustus, president of the Indianapolis Association of Insurance Women, was introduced and told of the success that had attended the formation of this organization. At the annual meeting of the National Association of Insurance Women held at St. Paul last summer she said it was

shown the Indianapolis association, though most recently organized had the third largest membership of any women's association in the country. Talks of an educational nature had been made before the Indianapolis association by fieldmen and others and the association, she said, was stimulating interest on the part of its members in their responsibilities. Knowledge of the business and ability to handle their work more efficiently was the aim of the organization for its membership. The constitution of the Indianapolis association, she explained, differed from that of the national body in that membership in the Indianapolis association is limited to women working in offices representing stock insurance companies.

Another Woman Talks

Mrs. Mildred Hudson, president of the Evansville Association of Insurance Women, the first of its kind to be organized in the state, followed Miss Augustus. With a membership of 45 they come from offices doing about 85 percent of the insurance business of that city, she said. The purpose of their association is education of the members and the benefit of discussion of common problems.

Two joint meetings have been held with the local board members—a summer outing and a Christmas party. Both of these speakers were accorded hearty applause.

Duffus Speaks Again

Roy Duffus agreed to appear again on the program to fill the gap caused by Mr. Hildebrand's absence. His return to the program was greeted with applause that indicated his audience wanted more along the line he had given them in the morning session.

While he spoke in a lighter vein and proved his ability to entertain as well as instruct, his talk again was along practical lines of business development and creation of good will. He gave examples of service rendered by his office.

References to gas rationing on which his membership in his local rationing board makes him an authority steered the remainder of his talk into answering questions from the floor on how gas rationing works in the local agency business.

Evidently he simply started something which will follow him home with further questions to be answered by mail. And, incidentally, Mr. Duffus is a local agent and does not have a company expense account with which to cover postage, so, no doubt he would welcome stamps to cover return postage.

Banquet Gathering

At the banquet Tuesday evening, President Richardt presided. At the speakers' table were seated association past presidents and several guests who were introduced, after the program was opened with the singing of "God Bless America."

On behalf of the committee making

COOLING-GRUMME-MUMFORD COMPANY, INC.

GENERAL AGENTS INDIANAPOLIS

Equipped to serve Indiana Agents writing
FIRE, INLAND MARINE, AUTOMOBILE AND CASUALTY LINES

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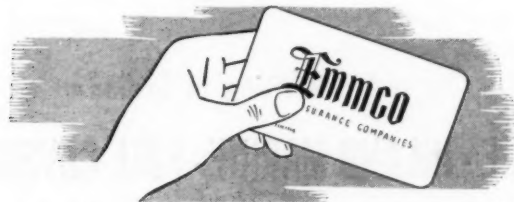
Harold Wells



IT'S HARVEST TIME IN INDIANA

Indiana agents who have been in convention, and those who did not get to go this year, have been hearing a lot about the seeds of business Emmco has been planting, and it's time now to begin the harvest for profit. Emmco, an Indiana Company with many fine agents through-

out the country, has cultivated friends among insurance buyers through its friendly service and fair, prompt adjustment policy. You, too, can get in on the harvest. Write today for complete particulars on Emmco's agency-company teamwork plan that builds new business.



WELCOME THE MAN WHO PRESENTS THIS CARD

He will have a "surprise" story to tell you which will build business for you. He is on his toes to help you to new high levels of service. It will be worth your while to listen to the Emmco story.

Emmco

STOCK
Insurance Companies
AUTO • CASUALTY FIRE INSURANCE

HOME OFFICES • SOUTH BEND, IND.

the award, A. G. Allen, president P. K. Morrison & Co. agency, Muncie, presented the Myers trophy to the East Chicago Insurance Board as having made the greatest contribution to the business among boards of the state during the past year. Robert M. Mitchell, board president, received the trophy with appropriate remarks. This is the first year this trophy has been offered. It was given by W. C. Myers, Evansville, past president. The board receiving the trophy will have its name engraved thereon and hold it for a year.

Past President Simpson M. Stoner, Crawfordsville, on behalf of the association, presented President Richardt a handsome portable radio.

Billy Beard, "The Party from the South," entertained with a humorous address on "Nothing New Under the Sun." There were several musical numbers and dancing followed.

All officers were reelected. Howard W. Bradshaw, Delphia, chairman rural agents committee, presided at a breakfast meeting Wednesday morning where problems peculiar to that group were discussed.

Herman C. Wolff, first vice-president, presided at the Wednesday morning session. Speakers were Fred W. Westervelt, Jr., James C. O'Connor, West Shell of Cincinnati and L. B. Schraffenberger, marshal Cincinnati fire department.

Former United States Senator James Watson addressed the luncheon Wednesday.

Indiana Convention Sidelights

Foster & Messick, managers of U. S. Fidelity & Guaranty at Indianapolis, presented the printed program, which was a very complete document. It gave the officers, directors, district organizations and their officers, past presidents of the Indiana association, officers of the local boards in the state, standing committees of the Indiana association, convention committees of the Indianapolis convention, the detailed program, the president's report and reports of officers and a number of committees.

One of the valued souvenirs of the meeting was a copy of the **Fidelity & Deposit Year Book for 1943** which was included in the "kit" of each registrant.

Among those attending from out of the state were Chas. R. Watkins, executive special agent New York Underwriters, Chicago; A. R. Johnson, Chicago, superintendent fire department, Hartford Fire, and Fred W. Keisker, Louisville, assistant secretary Kentucky Association of Insurance Agents.

The Chicago office of the **America Fore** group was represented by C. J. Lingenfelder, assistant secretary; C. R. Williams, executive assistant; L. C. Edwards, automobile department, and H. J. Petrie, Indiana examiner.

War bonds ranging from \$100 down to \$2 were awarded at various sessions.

B. O. Selbach Dies in Piedmont, Cal.

SAN FRANCISCO—B. O. Selbach, senior partner in the general agency of Selbach & Deans, died suddenly Monday afternoon at his home in Piedmont from a heart attack suffered two weeks ago. He had been a partner in the firm since 1916. He entered the business at Denver with Brannan & Kellogg, later in 1894 establishing his own general agency at Cripple Creek. He came to San Francisco in 1906 as adjuster following the earthquake. In 1911 he became partner of Caesar Bertheau, later becoming full owner of the agency. The funeral will be held Thursday afternoon.

Dietrich Made Assistant

G. A. Dietrich, automobile special representative of the Fireman's Fund, has been appointed assistant manager in the New York City office. Responsibility for production and automobile business supervision in the New Jersey field is given to the state field men.

Agent with Check Cements Disabled Client to Him

The agent who visits a disabled policyholder, to give him not flowers or candy or cigarettes but a substantial check, is helping his policyholder when he needs it the most.

Clyde E. Dalrymple, Preferred Accident, Milwaukee, immediate past-president of the National Association of Accident & Health Underwriters, told the Indiana Association of Insurance Agents at its annual meeting. He is delivering not a check, but what it buys for the policyholder—the best of medical and surgical care and peace of mind, most valuable to hasten recovery, because he knows the home will continue as usual.

"Don't you agree that the multiple line agent with the check has very definitely cemented himself to his client and all his future business?" Mr. Dalrymple asked. "Don't you agree that the more complete your service to your client, the greater is his dependency upon you for all insurance guidance?"

Greatest Asset—or Liability

In discussing further the importance of accident and health insurance to the multiple line agent, Mr. Dalrymple said that it is the greatest asset of any agency—or it may be a tremendous liability, if the client who has left it to the agent to take care of all his insurance needs is struck down by accident or illness and finds that his most valuable asset of all, his productive time, had not been protected.

"As life is set up," Mr. Dalrymple said, "almost all men trade their time for dollars, and then trade dollars for things and services. Therefore, for most men and those dependents upon them the only source of dollars to trade for the right to live is their earning power."

"When earning power has been interrupted there is always a need for a new source of income. That income must come from the savings box into which he has stored surplus, from charity, or from the accident and health contract which he has among his valuable papers."

Nothing Complicated, Mysterious

He insisted that there is nothing complicated or mysterious about accident or health. Reviewing the procedure when a client is taken to the hospital as a result of an accident, and all the varied expenses thus entailed, he said that is what blanket medical reimbursement covers.

Then every four weeks until he returns to work, the agent will take him a substantial salary check. That's weekly indemnity.

But sometimes accidents are fatal. Then the agent has the privilege of delivering his last gift to his dear ones. That's the death benefit or principal sum.

Those are the three essential features in accident and health coverage and the ones which Mr. Dalrymple recommends for the breadwinner who is not covered during his working hours by compensation. If he is, the same protection on a non-occupational form was recommended—and for the entire family adequate amount of hospitalization and medical care.

Business Interruption Coverage

Declaring that there is more money available to buy insurance, and particularly accident and health, than ever before, although different people have



C. E. Dalrymple

it, Mr. Dalrymple then listed some of those who are particularly good prospects today. He said that most general writing agents have sold their clients insurance against business interruption as a result of a fire. "Have you ever thought of selling sole proprietors or partnerships business interruption insurance as a result of accident or sickness?" he asked. He also pointed out the great source of prospects among home owners who are obligated to regular monthly payments under F.H.A. mortgage contracts. They are harried by the fear of disability which will stop the pay check and thus stop payments on the home, with the consequent danger of losing through foreclosure or getting seriously in arrears.

He spoke of the proposal for compulsory disability and hospitalization benefits under the social security act and declared that it is of great concern to every man in the insurance business, whether he sells accident or health or not, because it is only the opening wedge and the proposal may quickly expand to all multiple lines.

Convention Committees Are Announced at First Session

The committees appointed were announced by President Richardt at the

close of the first session: Resolutions, Clarence Perkins, South Bend, chairman; W. G. Thomas, Fort Wayne; Horace Lukens, Evansville; Harlan Hadley, Indianapolis; Ralph G. Hastings, Washington, and Glenn Rearick, Gary.

Nominations: Milo Mitchell, Linton, chairman; Everett Derrick, Frankfort; Don Stotenour, Goshen, and Edw. Watson, Vincennes.

Mr. Richardt announced that Past President W. C. Myers, Evansville, had presented the association a trophy to be presented to the local board which has contributed the greatest service to the business during the past year. As a committee to decide who should receive the award Mr. Richardt appointed I. W. Sturgeon, associate manager of Aetna Casualty; George R. Pritchett, American of Newark, and Chris Zoercher, Tell City.

Metropolitan Lloyds of Dallas has been reinsured by Lloyds Casualty Insurer of Houston. The Metropolitan was first licensed Sept. 27, 1940. It began business with a guaranty fund of \$65,658. It wrote fidelity and surety bonds.

The Seattle Ladies of the Blue Goose are engaged in organized Red Cross activities. Mrs. D. A. McKinley was hostess at the last meeting.

SECURED FIRE & MARINE INSURANCE CO.

To my many friends in
the Insurance Fraternity:

I am grateful for your many encouraging letters
and telegrams. I pledge full and complete co-
operation in support of the highest ideals of the
Agency System and of our business.

Cordially Yours,
Norman T. Robertson,
President.

Writing in Indiana

FIRE - INLAND MARINE - FULL COVERAGE AUTO

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Home Office
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Indianapolis

Officers and Committees Report at the Convention

At the Indiana agents meeting, S. M. Stoner, Greencastle, chairman of the board, said that the one job delegated to him was that of chairman of the finance committee of the American College of Property & Liability Underwriters. He recommended that the incoming board give serious consideration and plans for raising the allotment for Indiana.

First Vice-president H. C. Wolff of Indianapolis, said his activity was almost wholly confined to considerations of income and outgo, dues, payments, budgets, expenses. Treasurer G. W. Mahoney of Indianapolis showed a balance on hand Aug. 31, \$8,141. The gross receipts were \$26,087 and the disbursements \$24,850. The net income was \$18,766. The gross receipts include the money derived from the "Indiana Agent," house organ, the convention and the Bloomington school.

National Councillor's Report

A. L. Jenkins of Richmond, national councillor, said that since his last report there have been two changes which very materially improved the protection on dwellings and out buildings. Most important is the inclusion of damage to electrical equipment in dwellings caused by lightning even though fire does not ensue. Second was the broadening of coverage on garages, barns and outbuildings in that the 5 percent of the insurance on the dwelling now is excess over any specific insurance, which permits of the placing of at least a part of the insurance formerly applying to such buildings to the dwelling. He referred to the conferences of the state national councillors with the Western Underwriters Association committee, giving George W. Carter of Detroit chief praise for what had been accomplished.

D. A. Gibson, Plymouth, cochairman membership committee, reported 799 member agencies. This represents a net increase of 33 members as 88 new

members were added, three reinstated and 58 members dropped, leaving 55 members eligible for reinstatement.

W. H. Bruner of South Bend, chairman grievance committee, referred to the East Chicago Board making a complaint as to the countersignature policies covering oil refinery property in that territory which are handled by the Oil Insurance Association. The complaint has not been completely disposed of but the committee is in touch with the proper authorities and is endeavoring to bring about a satisfactory settlement.

Rural Agents Committee

H. W. Bradshaw of Delphi, chairman rural agents committee, said that through cooperation with the Farm Underwriters Association and the state insurance commissioner a new Indiana farm schedule has been published. Many improvements are yet to be secured, the report said. Mr. Bradshaw appeared on the program of the annual Indiana fire school at Purdue University

and discussed rural fire protection. He has kept in constant touch with the National Bureau of Casualty & Surety Underwriters on the matter of public and employers liability coverage for farms. This subject, the report said, is still on the fire. One non-bureau company has placed this coverage on the market under a most comprehensive form. Contact, he said, has been maintained with the National Automobile Underwriters Association on the matter of the 80-20 collision coverage. This is still before the organization and is receiving fair consideration.

J. E. Hedges of Bloomington, vice-chairman insurance school committee, told about the course given at Indiana University. Two courses were offered, a 20 hour course with fire and allied lines and a 20 hour course on public liability and workmen's compensation.

Executive Secretary Harry E. McClain in his report said the Indiana association has demonstrated its effectiveness on many occasions. There has been cooperation all along the line. With this policy, he said, much can be accomplished.

By late Tuesday afternoon the registration was crowding 700 with the prospect of running over 800 before adjournment. The well attended sessions would have done credit for a National association gathering.

Department Store Methods Are Urged

F. W. Potter Tells Agents to Extend Their Field in Selling Insurance

"For the duration of this war, we are all going to have to meet new problems but we can all be optimists about our business if we use vision, proper balance and maintain a cheerful state of mind," F. W. Potter, field supervisor of Aetna Casualty & Surety, declared in his address.

"When you are really out working," said Mr. Potter, "you are bound to find prospects who want and need insurance. The more you sell the more enthusiastic you will become; while if you sit in your office just thinking about the war and when it will end and how another ship was sunk and how another of your good clients is entering the service, you will find your mind becoming more and more confused and your desire to go out and buck the tide getting weaker and weaker."

"If you want to be successful, try some of the methods that go with the

Congratulations to members of the INDIANA ASSOCIATION OF INSURANCE AGENTS for keeping up your fighting spirit!

"Save your own business and fight your battles during these trying times." That statement which is so timely today was uttered at the Indiana Association of Insurance Agents' annual meeting in 1932 by President Alexis Coquillard.

Imbued with that courageous spirit the Indiana Association has surged forward and has more than tripled its membership during the past decade and is now definitely out in front.

During those same ten years the Illinois National Casualty has also shown a marked growth, doubling its assets and premium income. Agents who wish to meet today's problems in full stride will find Illinois National Casualty's service of great value.

With our old line stock company, our experienced management, constructive and sound underwriting, strong financial position and our efficient claim service to serve you and your policyholders, you will be in position to meet wartime needs. Get in touch with C. L. Morris, secretary and general manager for information regarding our wartime sales program for live wire agents.

H. B. BARTHOLF, President

ILLINOIS NATIONAL CASUALTY CO.

Home Office: Springfield, Ill.

An
Independent
Stock
Casualty Co.

operating in

ILLINOIS—IOWA
INDIANA—OHIO
MICHIGAN

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago, at close of business Oct. 26, 1942

| | Par | Div. | Bid | Asked |
|------------------------|--------|-------|-----|-------|
| Aetna Cas. | 10 | 5.00* | 124 | 128 |
| Aetna Fire | 10 | 1.80* | 48 | 50 |
| Aetna Life | 10 | 1.40* | 29½ | 31 |
| Amer. Alliance. 10 | 1.20* | 21½ | 23 | |
| Amer. Equitable 5 | 1.00 | 18 | 19 | |
| Amer. Home | 10 | ... | 6 | 7½ |
| Amer. (N. Y.)... 2.50 | ... | 13½ | 14½ | |
| Amer. Surety... 25 | 2.50 | 52 | 54 | |
| Automobile | 10 | 1.40* | 36 | 38 |
| Boston100 | 21.00 | 535 | 550 | |
| Camden Fire ... 5 | 1.00 | 19 | 20 | |
| Carolina 10 | 1.40* | 28 | 30 | |
| Contl. Cas. 5 | 1.50* | 34 | 35½ | |
| Contl. N. Y.... 2.50 | 2.20* | 40 | 42 | |
| Fidelity-Phen... 2.50 | 2.20* | 40 | 42 | |
| Fire Assn. 10 | 2.50* | 57 | 59 | |
| Firemen's (N.Y.) 5 | 40 | 9½ | 10½ | |
| Fireman's Fund 25 | 4.00 | 105 | 107 | |
| Franklin Fire... 5 | 1.40* | 25½ | 27 | |
| Gen. Reinsur... 5 | 2.00 | 41½ | 43½ | |
| Glens Falls ... 5 | 1.60 | 37 | 39 | |
| Globe & Repub. 5 | .50 | 8½ | 9½ | |
| Gt. Amer. Fire. 5 | 1.20* | 26 | 27½ | |
| Gt. Amer. Ind.. 2 | 1.20 | 9¾ | 10¾ | |
| Hanover Fire... 10 | 1.20 | 23¾ | 24½ | |
| Hartford Fire.. 10 | 2.50* | 91 | 93 | |
| Home (N. Y.)... 5 | 1.60 | 27 | 28½ | |
| Ins. Co. of N. A. 10 | 3.00* | 69 | 71 | |
| Maryland Cas.. 1 | ... | 2¾ | 3¾ | |
| Mass. Bonding. 12.50 | 3.50 | 62 | 64 | |
| Mer. (N.Y.) Com. 5 | 2.00* | 43 | 45 | |
| Natl. Cas. 10 | 1.00 | 22 | 23½ | |
| Natl. Fire 10 | 2.00 | 57 | 59 | |
| Natl. Liberty... 2 | ... | 7 | 8 | |
| Natl. Un. Fire.. 20 | 5.00* | 155 | 160 | |
| New Amst. Cas. 2 | 97½c | 22 | 23 | |
| New Hampshire 10 | 1.80* | 40 | 42 | |
| Northern (N.Y.) 12.50 | 5.00* | 80 | 83 | |
| North River... 2.50 | 1.00 | 23 | 24½ | |
| Ohio Cas. 5 | .70 | 20 | 22 | |
| Phoenix, Conn.. 10 | 3.00* | 85 | 87 | |
| Preferred Accl.. 5 | 1.00 | 14 | 15½ | |
| Prov. Wash.... 10 | 1.40* | 32 | 34 | |
| St. Paul F. & M. 62.50 | 10.00* | 255 | 262 | |
| Security, Conn. 10 | 1.40 | 35½ | 37 | |
| Sprgfd. F. & M. 25 | 4.75* | 119 | 123 | |
| Standard Accl.. 10 | 2.50 | 55½ | 57 | |
| Travelers100 | 16.00 | 410 | 420 | |
| U. S. Fire..... 4 | 2.00 | 46½ | 48½ | |
| U. S. F. & G.... 2 | 1.25* | 29 | 30 | |

*Includes extras.

modern trend—selling broader and more complete coverage. If it is liability insurance, sell the comprehensive policy. If it is bonds, sell complete dishonesty protection with blanket bonds. If it is burglary and robbery, sell all loss premises and messenger coverage.

"If you are soliciting the home owner, sell complete home protection with the personal property floater and combination residence insurance. If you are selling fire insurance, sell reporting covers or fire and extended coverage, use and occupancy, rental value.

"The alert agent increases his premiums by selling the latest and most up to date coverage while the uncourageous agent's stays small by selling the old Model T contracts. See for yourself the satisfaction that comes from selling these broader contracts and absorbing the piece-meal contracts formerly placed in other agencies. It is the best breakfast food and vitamin pill that a depressed agent can take for the rejuvenation of his enthusiasm.

Drive Out Pessimism

"Don't yield to pessimism and defeatism. The uncourageous agent is always saying, 'He won't buy use and occupancy; he can't afford products coverage; I'll cut down on his household values as he can't afford a personal property floater to value.'

"Conserve your time for actual production. Cut down on detail work. Let your girl take over most of the office work and arrange appointments for you. Mail out small renewals. Telephone about many of the things you are now running all over town about. Do the necessary pre-approach work before the interview. Get down to business and save your prospect's time as well as your own.

"Don't be a haberdasher selling only one line of insurance. Get into the department store way of selling insurance with 162 money making departments. Use some of your evening time studying new and interesting contracts. Plan to see 15 people every day. Whether you are an optimist or a pessimist is entirely up to you."

Harry McClain at the Tuesday afternoon session paid tribute to the good work done by Dwight Pearce, manager of the insurance department of Gregory & Appel, as chairman in charge of arrangements for the meeting.

A telegram of greeting was read from David A. North, president of the National Association of Insurance Agents.

Motion to Quash Likely to Be Made in Atlanta Probe

(CONTINUED FROM PAGE 2)

former president of the North Carolina Association of Insurance Agents.

Horace Turner, Sr., head of Turner Terminals of Mobile, Ala., spent most of Monday morning before the grand jury. Turner Terminals is a cotton warehouse. It is presumed that his testimony dealt with the question of comparative rates on such warehouses, since it is known in insurance circles that he has sought lower rates on the basis of general comparisons with rates in Louisiana and Texas points.

Donald Leatherwood and M. M. Gor-

Rochester Firm Has All Agency Licenses Revoked

The licenses held by Hayes, Sharp & Haggerty of Rochester, N. Y., have been revoked by the New York department. Superintendent Pink stated that the action was taken after an investigation and hearing on complaint of the Premium Discount Corporation of Rochester, which alleged that Hayes, Sharp & Haggerty, acting through its head, Thomas A. Sharp, had improperly obtained funds in a substantial amount from the Discount Corporation for the purpose of financing the payment of insurance premiums on fictitious policies. Mr. Sharp has been prominent in the New York State Association of Insurance Agents and is a former president.

C. E. Hayes, who is treasurer and director of the agency, has received a broker's license. The New York department declared that it had concluded that he was not personally at fault or responsible for the irregularities. He has opened an office at 414 East Main street.

W. H. Wolf of American Is Entering Service

Assistant Manager Walter H. Wolf of the western department of American

of Newark at Rockford, Ill., has been granted a leave of absence to enter service.

Mr. Wolf was appointed assistant manager in December, 1940, having formerly been connected with American in its Detroit office. During the past two years he has become a familiar figure at state and national agents' meetings in the middle west, and has many friends among the agency force.

Mr. Wolf's duties will be divided among the executives remaining at the Rockford office.



W. H. Wolf

man, attorneys on Thurman Arnold's anti-trust division staff, have joined Frank H. Elmore, Jr., and Robert J. Hyder in Atlanta and are assisting in the presentation of evidence before the jury.

Rites were conducted at Washington, Ill., Tuesday, for Frank S. Heiple, 87, prominent insurance and business man, who died following a brief illness. He was in the clothing business, then entered real estate and insurance, operating an agency at Washington until two years ago, when his son, Rae C., assumed charge. Mr. Heiple kept in touch with affairs until quite recently. For 10 years he and a partner operated the State Bank at Metamora, and he was township school treasurer for 40 years. Frank C. is treasurer of Central Illinois Light Company, Peoria.

W. P. RAY & CO. INC.

GENERAL AGENTS

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AS SEEN FROM CHICAGO

BAKER BEFORE ACCOUNTANTS

Personnel managers are "scraping the bottom of the barrel" in securing help these days, R. E. Baker, Hartford Accident, told the Chicago Insurance Accountants Association at the monthly meeting in a talk on "Aptitude Testing." He said the subject assigned to him was largely an academic one at present, because employees are so difficult to obtain that qualifications have had to be considerably lowered. Testing by such means has been very largely set aside for the duration of the war.

In any event, he said, aptitude testing if properly used is merely an adjunct to intelligent personnel work, an aid in the interview. It helps the personnel manager to get a better insight into what the applicants are, compared with what they say they are, but it should not be used as an absolute personnel test. He explained that he spoke as a layman who uses the idea of aptitude testing but does not rely solely upon it. Mr. Baker until recently was office manager of Hartford Accident's western department at Chicago. He is now handling business development work.

AUDIT OF CHICAGO LLOYDS

Chase Conover & Co., actuaries and accountants in Chicago, have been appointed by the court to make an independent audit of the defunct Chicago Lloyds in an effort to determine the liability and participation of each underwriter. The audit will be calculated on a monthly basis showing the number of underwriters participating and their pro rata share of losses. The units of participation are varied owing to the number of underwriters. The institution was placed in liquidation in February, 1936. There were 1,459 units of underwriting participation in force then and cash or securities of the 234 underwriters with a face value of \$1,117,295 were on deposit with the trustee. There were 12,705 claims filed for \$6,275,923, of which 10,840 for \$4,973,106 were reported to the court, there being allowed \$283,601, leaving 1,865 claims amounting to \$1,302,817 still unreported and pending adjudication.

BEBBER-ORTELL CHANGE

The Bebbber-Ortell Adjustment Company, 4013 Milwaukee avenue, Chicago, has dissolved partnership and suspended operations for the duration of the war. Clarence A. Bebbber continues in Chicago, but O. A. Ortell is now associated with the Judd W. Crocker claim department in Omaha, an independent claim adjusting firm.

SET DEC. 10 FOR MEETING

The Insurance Club of Chicago has scheduled a meeting for Nov. 10 at which there will be two speakers on war damage coverage and other subjects of current interest. The speakers and the place where the meeting will be held will be announced next week. D. W. Eggert of R. N. Crawford & Co. is program chairman.

SCHOEN GUEST OF COMMITTEE

E. M. Schoen, retired western manager of Atlas Assurance, was honored by the patrol committee of the Chicago Board at a luncheon which was presided over by E. B. Vickery, America Fore, patrol committee chairman. Chief Frank C. McAuliffe of the patrol, other members of the committee and officers of the Chicago Board attended, and a number of those present spoke including Mr. Schoen. He was a member of the committee for six years and was chairman during the last year. He also was a di-

rector of the Chicago Board for three terms and at one time on the public relations committee. Mr. Schoen now is living in Waukegan, Ill., where he bought a farm in anticipation of his retirement. The semi-annual inspection of the patrol was held.

CRITCHELL-MILLER ON AIR

The Critchell-Miller Insurance Agency of Chicago has arranged for a series of broadcasts over station WMAQ from 5:20 to 5:30 p. m., the first being Oct. 26. The next broadcast will be Nov. 2. On Tuesdays and Thursdays the broadcasts will be between 6:15 and 6:30 p. m.; on Wednesdays between 5:30 and 5:45 p. m. and on Fridays between 6:20 and 6:30 p. m. Each broadcast will read about as follows:

"Is your property protected by war damage insurance? If not, you should protect yourself at once. The enemy will bomb us if he can. Standard fire insurance does not protect against bombings and resulting conflagrations, but the government has made protection available. Factories, business houses, homes, personal property—even autos—should be insured. The low cost is \$3 for \$3,000 insurance in most cases. If bombers don't come, your premium will help pay for victory. Being a prepayment, your premium is non-inflationary. Your own qualified agent or broker will arrange a policy."

The Critchell-Miller agency has circularized the 10,000 licensed insurance brokers in Chicago and Cook county regarding the broadcast. Attention is called to the fact that while not a money making proposition war damage insurance does pay expenses. It is a good will builder. The Critchell-Miller agency has made considerable effort to stimulate the sale of this indemnity. Nevertheless it is not being pushed as it should be in its opinion. Therefore, the broadcasting is arranged to stimulate activity among the insurance people themselves and the public. The Critchell-

Miller agency states that it is at a loss to understand why the insurance people have been so apathetic about war damage insurance. Fewer than half the brokers who do business with its office have sold any policies.

In connection with the 10,000 licensed brokers it is interesting to know that only half are members of the Chicago Board.

Pink Praises WDC as Example of Eliminating Waste

NEW YORK—It is not so much complacency or indifference on the part of the American people which is slowing down the war effort as waste, Superintendent Pink of New York declared at the annual dinner of the General Brokers Association. The Reconstruction Finance Corporation and the insurance industry have created an example of intelligent and efficient integration of private enterprise with government control. The War Damage Corporation is one of the largest insurance ventures ever undertaken having 3,500,000 policyholders with a premium income already of \$110,000,000. The great undertaking is housed in a single room. It functions efficiently and is ready to adjust and pay losses immediately if bombings occur.

Here is an example which some of the competing bureaucracies might well ponder on," Mr. Pink said, stating that this is proof that waste of money and man power can be eliminated through intelligent cooperation and coordination.

H. C. Conick, assistant U. S. manager Royal-Liverpool group, made some interesting observations on war damage coverage, urging brokers to continue their efforts in selling it to clients so that they can not be reproached if uninsured losses occur.

H. G. Casper, United States manager of the Eagle Star, spent several days last week in Chicago.

New Chicago Brokers Head Long in Business

Ray H. Johnson, the new president of the Insurance Brokers Association of Illinois, has been an independent broker since early in 1930 and has been in the insurance business for about 30 years.

He started at Hibbing, Minn., becoming general agent of Maryland Casualty and Aetna Casualty. After about 11 years he went to Duluth where he was general agent of National Casualty and Columbia Casualty, doing a general insurance business. He maintained his office there for seven years, then he moved to Chicago as a broker.

Mr. Johnson has been active in the brokers association of Chicago for about six years and a member of the board for the last three years. He has been on several committees and for two years has been a member of the important committee on relations with the Chicago Board.

He is a man of character, and has force, tempered by diplomacy. Mr. Johnson is universally liked among insurance men of Chicago, and under his direction the association is expected to prosper in these trying times.



R. H. Johnson

Zone 4 Meets in Des Moines

DES MOINES—Commissioners from Zone 4, which includes Minnesota, Iowa, Illinois, Wisconsin, Indiana and Michigan, will meet in Des Moines Nov. 6 to discuss matters expected to come up at the meeting in New York in December. Commissioner Johnson of Minnesota is chairman. In addition commissioners of Missouri, Kansas, Nebraska and South and North Dakota are expected to attend.



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EDITORIAL COMMENT

Waiting for Finished Form in N. Y.

THOSE whose task it is to follow legislative activities are now preparing for their day of action, as in January the state legislatures will convene in most of the states. The general anticipation is that it will be a fairly quiet year insofar as insurance legislation is concerned although those making such prediction always take the precaution of knocking on wood.

Theoretically at least the legislators should be so occupied with problems relating to the war that they will not be disposed to give attention to ordinary carpentry work that could just as well be put off to another day.

The new New York standard fire policy is due to go into effect July 1, 1943, and this has attracted the attention of insurance commissioners, insurance people, and large insurance buyers in other states. It might be presumed that efforts would be made in

other states to adopt the New York program but there is a cogent argument against taking any such action just at this time.

The New York law was enacted when it was to prevent the whole program of revision from bogging down. There were a number of differences of opinion on phraseology and on contents of the form that were hastily composed in the interest of getting an enactment and showing real progress but it was pretty generally understood that at the next session of the legislature there would be some amendments to reflect the results of more mature deliberation. It would seem to be wise for the other states to wait until the New York plan is put into finished form. Such a consideration, we believe, is persuasive and it would be well for the other states to avoid acting impetuously at this particular time.

Better Attitude in Missouri

PERHAPS war conditions have brought people more closely together so that there will not be the strife between authorities and the supervised as there has been in the past. At least it is a happy omen in Missouri to see that harmony prevails between the state superintendent of insurance and the companies on the rate reduction order. Superintendent Scheufler did not bring

out the big stick and make threats. He simply submitted figures to prove in his mind that a reduction was justified. He wanted to look at the matter from all angles. He talked to the rating and company representatives in a friendly way, as well as the agents.

After all the turmoil, expense and bitterness that have sprung from Missouri this new policy is most gratifying.

Can the Producers Be Helped?

In these days when rate reductions are being made in various classes of insurance, the brunt often falls more heavily on the producers than any other factor in the business. While new markets are being opened to agents and new coverages devised it would seem to be the wise policy to

extend coverage where possible instead of reducing rates in all cases. Some coverages can be expanded and give more protection. Very often the slack can be taken up in this way. The public is better fortified and the agent's income is not so heavily reduced. Fuller coverage is a trend in the business.

Reform in Convention Badges

LET us hope that there will be a reform in convention badges now that the use of metal is greatly reduced. In fact, it will perhaps be impossible to get metal for badges. This was seen at the annual meeting of the National Association of Insurance Agents in Chicago when the badge consisted of stiff cardboard paper in which the registrant's name and address were in large letters. It was the best badge the National association has gotten out. It, therefore, was no strain on the eye nor was one forced to engage in a series of acrobatic feats in his

effort to see the name and not attract the attention of the person wearing the badge.

There are two things that should be reformed: First, these badges at conventions by discarding small, typewritten names hidden in a metal frame with a long ribbon and the other is a very needed reform in office building directories where names are often so high that one needs a stepladder to see them or so low that one is forced to recline on his stomach in order to decipher the name. Office buildings can well afford to use

extra space and have names so that they are convenient. The only use of an office directory is for people coming in and desiring to locate some institution or person. Where names are so

high that it is impossible to see them or so low that one has to get in a prostate position, the usefulness of the directory is ended. In many buildings the present arrangement is abominable.

PERSONAL SIDE OF THE BUSINESS

Geo. M. Montgomery, Western Adjuster, and **C. C. Crow**, Underwriters Adjusting, both of Wichita, have returned from a hunting and fishing trip in upper Canada with a bag of two moose, two deer and a bear and a catch of 400 pounds of fish. They also brought plenty of movies to prove their successes.

R. B. Lathan, North America state agent at Wichita, had a serious attack in western Kansas and was driven back to Wichita by Claude Myers, Dodge City agent. He spent two weeks recuperating at his residence. Mrs. Lathan is now recovering from a major operation at Wesley hospital there.

Col. Sam F. Woolard, Wichita, retired state agent of Commercial Union, has just celebrated his 77th birthday.

C. H. Roloson, Jr., president of the Central of Baltimore, is one of the men of his city appointed by Mayor Jackson as a member of the committee on post-war planning. He is president of the Baltimore Association of Commerce.

T. A. Pettigrew of Chicago, manager of the Underwriters Adjusting, who has been confined to the West Suburban Hospital in Oak Park, Ill., has now returned to his home, 1403 Lathrop avenue, River Forest, Ill. He has had a severe attack of phlebitis and will not be able to be at his office for some time.

W. K. Maxwell of Chicago, vice-president of the Hanover Fire in charge of its western department, and Mrs. Maxwell have gone to Oxnard, Cal., for a three weeks sojourn with their son, Attorney Edward Maxwell.

Robert Kane, well-known Topeka, Kan., local agent, now has four sons in the service. Bernard M. is in the navy air corps. Before he enlisted he was with his father in the agency. Richard is a lieutenant in the navy, stationed in Washington. Robert is a corporal in the fighter command at Drewfield, Fla. John W. is a private first class in the army air force, somewhere in India.

Mrs. E. B. Berkeley of Cleveland, wife of the president of the Cleveland Insurance Agency, president of the Cleveland Insurance Board and the new president of the Ohio Association of Insurance Agents, who has been critically ill, seems now to be out of danger. She had three specialists and they give the opinion that she will recover. Mrs. Berkeley was suddenly stricken with an embolism and for some days her life was despaired of.

John B. Tetlow, who resigned as special agent for Gulf in June, dropped in at the convention of the Ohio Association of Insurance Agents at Columbus. He is now operating a farm near Dayton, O.

Henry Carter, chairman of the U. S. board of Caledonian, and General Agent **C. J. Bauerle** from the head office in Hartford were in Chicago last week en route to the Pacific Coast.

C. F. Barnard, former well known adjuster at Cleveland, who retired some years ago, spent last week in Evanston,

Ill., en route to San Diego, Cal., where he will stay with his son. Mr. Barnard is 85 years of age and spent the summer in Door county, Wis.

Mr. Barnard at one time was manager of the Western Adjustment at Cleveland. His son, Robert, is manager of the Fire Companies Adjustment Bureau office at San Diego and he traveled east for a sojourn in order to take his father home with him. The son was formerly located with the Western Adjustment at Cleveland and Dayton, O.

Secretary **Fred C. Bertiaux** of the Hanover Fire was in Chicago last Friday enroute to the Pacific Coast where he will spend a couple of weeks.

C. C. "Ted" Iuppenlatz of Detroit, manager in Wayne county for the Crum & Forster companies, underwent an operation for appendicitis last week.

E. C. Bardwell, special agent of Grain Dealers National Mutual Fire, is now recuperating satisfactorily in Methodist hospital, Indianapolis, following an operation.

DEATHS

H. L. Cushwa, 69, for many years head of the insurance department of the Union Trust Company, Indianapolis, died there. Before going to Indianapolis he had been in the insurance business in Marion, Ind.

W. S. Neiswonger, 57, local agent in Columbus, O., for 33 years, died there.

Philip B. Orme, 41, for 10 years with the Dwyer-Maas agency of St. Paul, is dead.

L. J. Koch, head of the insurance department of the Berwyn-White Coal Mining Co., died at his home at Swarthmore, Pa. He had been in insurance work 40 years. Formerly he was special agent of Franklin Fire, then an inspector for the Middle Department Rating Association.

Frank L. Curtis of Syracuse, 86, retired field man of Springfield F. & M., died at his home. He was born in Northfield, Vt., in 1856. He started in insurance as a life insurance salesman and then became a fire agent at Potsdam, N. Y. He was appointed special agent for the old Reading Fire and in 1895 joined Springfield as special agent in central New York, serving that company for 43 years.

C. H. Nutting, member of the Boston local agency firm of Nutting & Wells, died last week. Funeral services were at Stoughton, Mass. He was born in Northampton, Mass., in 1873. He was a member of the General Averages Adjustment Association of New York.

Granville M. Semmes, 60, vice-president Paramount Fire of New York and president of the Calumet Securities, real estate and insurance agency of Gary, Ind., died suddenly at his home in the

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Doing an important job of interference.

latter city. Executive Vice-President R. A. Thorne and other officers of the Paramount Fire attended the funeral services. He was one of the foremost business men in his home community. A native of Memphis, he established his real estate and insurance business at Gary 10 years ago, since which time it has been built up to one of the most successful offices of its type in Indiana. When Paramount Fire was organized in 1938 he was elected a director and vice-president. His interest in the company was keen and constant, inducing frequent visits to the head office in New York City, in the course of which he became well acquainted with H. V. Smith, president of Home, and former President Wilfred Kurth, by whom he was highly esteemed.

W. F. Bell, 65, of the Smith & Bell agency, Memphis, Tenn., died from a heart attack. President of his agency for seven years, Mr. Bell was a charter member of the Casualty & Surety Club of Memphis.

Barton E. Julian, 92, active in fire and casualty insurance in Dallas for more than 60 years, died at his home there. In 1880 he established the firm of Julian & Vaughan, which later became Julian & Middleton. Before 1900 he established the local agency of Julian, Cochran & Carter, now Julian & Cochran, from which Mr. Julian retired about six years ago. The agency is now owned by J. R. and W. R. Cochran, but retains the old firm name.

Roy E. Walters, Youngstown, O., manager Underwriters Adjusting for many years, died from a heart attack. He started with Underwriters Adjusting about 20 years ago in Cincinnati and later opened the Youngstown office.

George H. Coleman, well known Chicago fire insurance man who retired about seven years ago, died at his home in Evanston, Ill. He originally went from Cincinnati to the western department of the Royal in Chicago, becoming executive special agent. He was a friend of Charles Law, son of John H. Law of Law Brothers, western managers of Royal, and through this means was drawn into the business. Later he went to the America Fore group, being manager of the Cook county department of American Eagle for seven or eight years. Then he was special agent of

Atlas Assurance until his retirement. In all, he was in the business about 20 years. Mr. Coleman was about 55 years of age and had been ill for some time.

W. P. McKelvy, Waterville, Kan., local agent and cashier of the Merchants State Bank there, died following a heart attack.

IN U. S. WAR SERVICE

E. R. West, San Antonio, claims examiner of General Exchange, who had served as an officer of the San Antonio Claim Men's Association, has been inducted into the administrative department of the air corps as a lieutenant.

Raymond J. Kraatz, Jackson Rowland, Major Richard B. Scharff, Howard R. Flack and Allen R. Lloyd, associates of the Rockwood Company, Chicago, are all serving in the army.

Roland H. Gwyn, secretary in the U. S. branch of Century, who enlisted in the Canadian air force in August, is now in training at St. Huberts, near Montreal. Prior to entering the service he learned to fly in New York and got a civilian license.

Eleven men from the Chicago office of Maryland Casualty now are in service. They are T. E. Burns, Ellis G. Breuning, James A. Freely, D. R. Grund, Frank Houcek, J. A. Lemmon, Jr., J. T. Needham, F. O. Niessen, R. A. Phillips, R. A. Stueben and R. F. Vaughan. Mr. Phillips, a safety engineer for Maryland Casualty, now is a lieutenant commander in command of a ship in the Pacific. He is a graduate of Annapolis and was called in August, 1940. Until August, 1942, he was second in command at Tower Hall, Chicago. Mr. Houcek, a graduate of Culver Military Academy, is a second lieutenant.

Lieut. W. F. Watts has returned to Ft. Benning, Ga., after spending some days visiting his father, R. D. Watts of Beckley, W. Va. He recently received

WANTED: Production man and special agent for Illinois. Write Illinois Mutual Fire Insurance Company, Belvidere, Illinois.

his commission from the infantry officers training school at Ft. Benning. R. D. Watts is a former president of the West Virginia Association of Insurance Agents. At the time of his enlistment in March, Lieutenant Watts was special agent of National Fire with headquarters in Rochester, N. Y.

John D. McNeese, Merrimack Mutual special agent in Tennessee, Mississippi, Alabama and Louisiana, is now serving as sergeant in the 198th Ordnance Company at the Raritan Arsenal, Metuchen, N. J.

Harry Lawrence of the marine department of Fireman's Fund in Los Angeles, has enlisted in the navy with the rating of yeoman. **Harry Scott** of the same department also has entered the navy as a chief specialist.

Don Wright of Firemen's group in Oklahoma City has joined the navy and is stationed at the naval training base at Tucson, Ariz.

George B. Pate, formerly with the R. L. Drake general agency, Oklahoma City, reported for military duty at Fort Sill. He is son of H. E. Pate, state agent of Commercial Union.

B. W. Markwood of the Dayton office of the Ohio Inspection Bureau has entered the service.

John Burton, Columbia, Tenn., local

agent, has been accepted as a volunteer officer candidate and has gone to Ft. Oglethorpe, Ga., for induction.

Thomas K. Marlowe, state agent of Phoenix of Hartford in Louisiana and Mississippi, has joined the coast guard and will report for duty in New Orleans.

Edward J. Devitt, assistant attorney-general of Minnesota, for the past four years legal adviser of the Minnesota insurance department, has been granted a leave of absence to enter the intelligence service of the navy.

John Bender, attorney handling fidelity and surety claims in the Los Angeles branch office of Maryland Casualty, has completed his training course and has been commissioned a lieutenant in the army signal corps, reporting at Camp Murphy, West Palm Beach, Fla.

George Dietrich, surety claim superintendent of U. S. F. & G. in Chicago since 1931, has been commissioned a lieutenant (j.g.) in the navy and will be indoctrinated at Cornell University. Lieutenant Dietrich recently has been assisting in the contract, judicial and fidelity bond underwriting as well as handling claims. Formerly he was in the claim department of Maryland Casualty at Chicago. He is a graduate attorney who at one time practiced law in Wisconsin.



THIS IS NOT AN "UNKNOWN"

—The Lack of Public Opinion is a definite hazard of the fire and casualty business. If every Agent would cover the field as does the life insurance agent, there would be opinion and with that opinion would come business hitherto untouched.



Will Wrightman
FIELD CORRESPONDENT

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The NATIONAL UNDERWRITER

October 29, 1942

CASUALTY AND SURETY SECTION

Page Nineteen

Family Group Evils Hit by Illinois Insurance Director

Reputable Companies Can Aid by Meeting Low Income Needs

PEORIA, ILL.—Promising remedial action consistent with the law and American business ideals, Insurance Director Jones of Illinois urged insurance men to aid in curbing existing dollar-a-month family group insurance evils by meeting the insurance needs of thousands of people who seek a modest protection against death, accident and disease. Speaking before the Illinois Association of Life Underwriters sales congress here, Mr. Jones was outspoken in criticizing the methods used in enticing buyers of the much advertised dollar-a-month group policies.

Citing the fantastic advertising claims, Mr. Jones told how one advertiser used the same picture to illustrate different family groups whose names and addresses were given.

Analyzes Actual Benefits

In analyzing the actual benefits paid under a policy which is advertised to insure the entire family up to \$1,000 maximum for natural death; \$2,000 maximum for auto accidental death, and \$3,000 maximum for travel accidental death, Mr. Jones pointed out that in order to collect the \$1,000 for natural death the entire family must die between the ages of 11 and 35, in order to collect the \$2,000 all must be killed while riding in an automobile, bus, truck or taxicab or all struck, knocked down or run over by the same type of vehicles, and all die within 15 days of the accident.

"Time does not permit a full description of what is necessary in order to collect the \$3,000 benefit which contemplates the death of the entire family while riding as fare-paying passengers within the enclosed part of a railway passenger carrier or steam vessel," Mr. Jones commented.

Although it is advertised that such policies cover the entire family including nieces, nephews and grand-parents, an analysis of one family group contract discloses that if a 70 year old grand-father died within two years of the date of the policy and was in good health at the time the policy was issued to cover a family of 10, the company would pay \$10. "But if grandpa had died within the contestable period of two years and at the same time of taking the policy had any disease of the brain or nervous system, heart, lungs, cancer of tumor of any kind, vertigo, hernia, rheumatism, tuberculosis, goiter, or any other serious disease or infirmity, then there would be no liability. If the baby died, the total liability of the com-

(CONTINUED ON PAGE 27)

Mutuals Taxed by New Revenue Law

Companies Will Not Have to Deduct Victory Tax on Agents Under Bill

The new federal revenue act makes little change in the income taxation of stock casualty companies, except for raising the rate to 40 percent in common with other corporations. One change is to allow deductions for amounts paid out in dividends to policyholders on participating policies.

Mutual casualty companies, except for the exempt group having \$75,000 income or less, will have to pay much more than in previous years though considerably less than the \$5,000,000 to \$8,000,000 which it was estimated they would pay under the House bill. Mutuals will be taxed on their net investment income the same as regular corporations or a 1 percent tax on income from premiums, interest and dividends, less deductions for dividends paid policyholders, whichever basis will result in the higher tax. The House formula was considerably more complex than either of the present bases.

Hardship in Lean Years

One mutual company man pointed out that setting up of two alternative methods of this kind is much less desirable than if only a tax on gross income had been imposed. As it is, in bad years when the investment income is the most needed to stabilize operations, the tax will be on investment earnings. This will, he said, work a real hardship on mutual carriers.

The interinsurer or reciprocal whose corporation surtax net income is more than \$50,000 will pay a tax. This will be a normal tax, or 48 percent of the amount by which the normal tax net income exceeds \$50,000, whichever is the lesser, plus a corporation surtax, or 32 percent of the amount by which the corporation surtax net income exceeds \$50,000, whichever is the lesser.

Victory Tax on Commissions

While agents must pay the 5 percent "victory tax" on their commissions, their home offices do not have to take the responsibility of deducting the tax and paying it to the government as in the case of salaried employees. However, if half or more of the money paid by a company to an agent is salary then the company must deduct and pay his victory tax.

While the provision for permitting deduction of medical expenses includes premiums paid accident or health insurance, the deduction applies only to amounts in excess of 5 percent of net income. Hence the provision is of no consequence as an inducement to buy insurance, though it is a "recognition" of such insurance. The deduction is denied to the extent that medical care expenses are paid out of insurance proceeds.

A stamp tax is imposed on policies issued by foreign insurers if the policies are not signed or countersigned by an officer or agent of the insurers in a state, territory, or district of the U. S. where insurer is authorized to do busi-

Peterson Joining Continental Group

Becomes Comptroller of the Three Companies in the Organization

Arthur E. Peterson, who has been president of Service Fire of New York since 1939, is joining the executive staff of Continental Casualty, Continental Assurance and Transportation of Chicago. He will become comptroller of the companies, taking over many of the responsibilities and duties of Rollin M. Clark, vice-president and secretary.

Mr. Peterson, who is 43 years old, was born in Chicago and was graduated from the University of Illinois. He entered the insurance business with Marsh & McLennan in 1925 and remained with that organization in various capacities until 1932. From 1932 until 1937, he was an insurance broker for his own account and in the latter year became associated with Commercial Investment Trust, handling insurance operations for the C. I. T. companies. Shortly after Service Fire was purchased by C. I. T., Mr. Peterson was elected president of the company.

Bureau Extends Area of Service Men's Policy

The Bureau of Personal Accident & Health Underwriters has ruled that its policy on men in service covers in Hawaii and in continental Canada, as well as in the 48 states and the District of Columbia. Those carrying this coverage, if they leave these territories, may surrender it for pro rata cancellation.

The bureau has ruled also that men in state guards or similar armed military services are eligible for the policy applicable to men in service, rather than for a regular civilian policy.

The policy for men in service excludes other than land hazards and the hazards of enemy invasion or bombardment and aviation (except on the ground).

Experience on the business so far is reported to be good.

Hold National Safety Congress

The National Safety Council's congress and exposition was held this week in Chicago. The program was largely devoted to special wartime accident problems in view of the manpower shortage and the need for efficiency in the production of war materials.

Confer on Assigned Risk Plan

ST. PAUL—Cornelius J. Vanderfeen of the National Bureau of Casualty & Surety Underwriters and R. J. Bartrum of the State Farm Mutual Automobile, have participated in conferences held at the suggestion of Commissioner Johnson to consider a voluntary assigned risk plan for automobile insurance.

The tax is 4 percent on policies other than life, casualty and surety; 1 percent on life, health and accident and annuities, and 1 percent on reinsurance.

American Auto to Meet New Bureau Rates

Developments May Stabilize Situation; Independents Go Along

Chief developments of the week in the field of automobile liability rates was revision of its recent reduction by American Automobile to meet rates promulgated last week by the National Bureau of Casualty & Surety Underwriters. Continental Casualty and its affiliate, National Casualty, adopted bureau rates promptly after their announcement. Independent carriers, many of which matched American Automobile's recent cut, are expected to meet bureau rates. Many have already done so.

The rate situation now may become fairly well stabilized for the duration of the war. The reductions are extremely substantial and there should be little demand for further cut on the part of the public or political figures. The insurers have met what appears to be the most serious of the special situations that will arise as a result of the war.

Renewals of September and October business on the basis of the new rates were held up by most agencies in order to get the new medical payments rates so that the latter could be included and an additional change avoided. Many automobile policies now have the medical endorsement. Apparently the endorsement rate change was overlooked until after the bureau had gotten out its bodily injury and property damage reductions.

American Auto to Act

Because the differences between American Auto and bureau bodily injury rates on class A and B cars are extremely slight, no changes will be made in those categories, Otto Patterson, executive vice-president, announced. The class C schedule will be cut to approximately the bureau's schedule for both bodily injury and property damage covers. It was on this class that the rates of the two differed considerably. American Auto will revise its property damage rates for classes A and B so that a combination with bodily injury on those classes will more closely approximate bureau rates.

The new rates are, in the words of one bureau company agent for the first time competitive. On the rates for holders of A and B ration cards there is not much difference between the new rates of the bureau and those announced recently by American Automobile but on those for the holders of C ration card the differential is considerable. The premium for an A card holder in territory 1 in Illinois (Chi-

(CONTINUED ON PAGE 27)

Continue to Study High-Low Plans

N. Y. Compensation Board Ponders Over Three Proposed Measures

NEW YORK—Close study continues to be given by the New York Compensation Insurance Rating Board to the three proposed retrospective rating plans that were brought out by the National Bureau of Casualty & Surety Underwriters last May—the premium return plan, retrospective rating plan with specified minimum premium and retrospective plan with no specified minimum.

The question is now in the hands of the actuarial committee of the board. One of the principal questions involved is the point at which these retrospective plans shall be applied. Under the bureau proposal it would have been applied to all risks producing premiums of \$1,000 or more. There is considerable sentiment in the New York board to set the minimum instead at \$5,000 while others favor the \$1,000 figure for the premium return plan and \$5,000 for the other two plans.

A related question is whether to make any change in the maximum amount which may be charged up against the assured on account of any one claim. Under the present procedure there is a \$10,000 maximum. The companies find that they get into numerous disputes with assured and brokers over the amount of loss reserves that are set up in connection with specific cases. These encounters are troublesome and cause bad feeling. The insurers resent such outside influence on loss reserves and there is some disposition, as a means of getting away from as many of these situations as possible, to set \$5,000 as the maximum that will be charged in the experience on account of any one claim.

Shipyard Welders Sue for X-ray Treatment Injuries

LOS ANGELES—Suits have been filed in the Los Angeles superior court by 37 shipyard workers for damages totaling \$3,868,840 for loss of members and other injuries sustained through the "careless, reckless, negligent and unskilled" use of an x-ray machine so as to cause the plaintiffs to suffer Roentgen dermatitis and burns.

The defendants in 34 of the suits include Drs. Robert Woodley Stellar and Isaiah Waterman, and their assistants. Three of the actions also included the California Shipbuilding Corporation, where the plaintiffs are employed, and Liberty Mutual, the compensation carrier.

The physicians and their assistants are protected by a Lloyds' professional liability policy.

Employment as Welders

All the plaintiffs have been employed as electric welders in the shipyard. In the course of their work, chemical reaction from the operation created a rash on their hands and exposed portions of their skin. For this they were treated by the physicians in the first aid station and hospital maintained by the defendants for employees of the shipbuilding corporation. The plaintiffs alleged they were improperly treated with the x-ray machine, and that, instead of relieving their ailment, this treatment caused "Roentgen dermatitis, and first, second and third degree x-ray burns." This condition later developed into gangrene, resulting in the amputations, noted above, and fear of additional amputa-

New and Lower Rates for Auto Medical Cover

NEW YORK—New rates, showing substantial reductions from the old ones, for medical payment coverage endorsed on automobile bodily injury liability insurance have now been promulgated by the National Bureau of Casualty & Surety Underwriters and the Mutual Casualty Rating Bureau. They are effective Oct. 20 countrywide except for a few of the regulated states which have not yet given formal approval. However, in view of the reductions no trouble is anticipated in getting these approvals. Retroactive dates are the same as for bodily injury—Sept. 1 for the non-rated states and July 22 for the rated states. For areas in the latter where rationing went into effect at later dates the rates are retroactive to those dates.

The rates for the various limits per person are based on the bodily injury rates for standard limits. It will be noted that in each case the rate including the named insured is \$1 higher than if the named insured is excluded.

Excluding Named Insured

| Bodily Injury Classification | Rate, Standard Limits | Limits per Person | \$250 | \$500 | \$750 | \$1,000 | \$2,000 |
|------------------------------|-----------------------|-------------------|-------|-------|-------|---------|---------|
| \$20 or less..... | \$2 | \$3 | \$4 | \$5 | \$6 | \$7 | \$8 |
| \$20.01-\$30..... | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| \$30.01-\$40..... | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| \$40.01 and over | 5 | 6 | 7 | 8 | 9 | 10 | 11 |

Including Named Insured

| | | | | | | | |
|-------------------|-----|-----|-----|-----|-----|-----|-----|
| \$20 or less..... | \$3 | \$4 | \$5 | \$6 | \$7 | \$8 | \$9 |
| \$20.01-\$30..... | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| \$30.01-\$40..... | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| \$40.01 and over | 6 | 7 | 8 | 9 | 10 | 11 | 12 |

tions in order to stop the spread of the disease.

Arthur Garrett, counsel for 34 of the plaintiffs, is busy preparing actions for additional plaintiffs, and today said that the total number of complaints to be filed will reach 45.

Designate Emergency Hospitals

Under the California law, employer corporations are prohibited from practicing medicine and where huge numbers of men are employed designate the emergency and other hospitals where injured employees should be sent for treatment. The compensation carriers cooperate with the employers in this respect.

Liability under the professional liability policy is not denied by Lloyds representatives, although they claim the maximum amount of the policy is \$100,000, while plaintiff counsel holds it is \$300,000. Toplis & Harding, adjusters, are handling the case for the carriers.

Liberty Mutual officials today said they had been paying compensation to and caring for the employees who have entered the actions and will continue to fulfill their obligations.

Counsel for Liberty Mutual have consented to an extension of the statute of limitations in order that a more thorough study may be made as to whether the actions shall be determined under the compensation act or under the common law.

All Insurance Institute Officers Reelected

NEW YORK—All former officers of the Insurance Institute of America were reelected at the annual meeting here Tuesday. They are: President, E. C. Stone, United States general manager and attorney Employers Liability; vice-presidents, W. H. Koop, president Great American, and Vincent Cullen, president National Surety; secretary-treasurer, E. R. Hardy.

Reports of the president, secretary and committees were read. The membership includes 687 associates, 170 corporations corresponding, 153 fellows, 18 honorary and 20 organizations.

Continental Casualty's General Counsel Dead

Funeral services were held Tuesday afternoon in Chicago for E. V. Mitchell,



E. V. Mitchell

general counsel of Continental Casualty and Continental Assurance, who died Friday night at Passavant Hospital after a short illness. He was president of the Illinois Insurance Federation, a director of the Illinois chamber of commerce, trustee of George Williams College and a director of the Chicago Y.M.C.A. Mr. Mitchell took a large part in legislative work and was regarded as one of the leading men in his special line.

He was born Jan. 27, 1882, in Effingham County, Ill., and graduated from Central Normal College of Danville, Ill. He studied law in Chicago and was admitted to the bar in 1905. He practiced law in Seattle from 1906 to 1912 and then became Pacific Coast attorney for Empire Surety of New York. From 1912 to 1916 he was general attorney for Southwestern Surety of Denison, Tex., and then became vice-president of Southern Surety, with which was merged Southwestern Surety. He joined the legal staff of Continental Casualty in 1923 and was made general counsel of that company and Continental Assurance in 1931. In addition to these two companies he was general counsel for the National Casualty of Detroit. Mr. and Mrs. Mitchell resided at the Blackwood hotel in Chicago.

The executive committee of the Illinois Insurance Federation will meet in due season to elect a man to fill the vacancy in the presidency.

Mr. Mitchell began his insurance career as investigating attorney for Travelers in Milwaukee in 1905. Before joining Continental Casualty he spent two years in the general practice of insurance law in New York City. During his practice of law in Seattle he made a two years trip with a surveying party in Alaska. While in Alaska he became associated with the noted author, Rex Beach, who later chronicled the locale of Mr. Mitchell's experiences in a novel. While practicing in New York City following the first world war, he made a trip to Japan for a surety company.

His heart began to fail noticeably in August and he was not able to overcome the malady. Mr. Mitchell was a well known pedestrian and went on long walks in the Indiana dunes. He usually took these walks alone. He served as general counsel for the Chicago Surety Underwriters Association.

R. L. Paddock in Service; Veitenhaus Milwaukee Head

R. L. Paddock, assistant secretary of Time of Milwaukee and president of the Accident & Health Underwriters of Milwaukee, has entered military service. A. A. Veitenhaus of Dick & Reuteman, vice-president of the Milwaukee group, is now acting president.

Mr. Paddock also was chairman of the agency management committee of the Health & Accident Underwriters Conference, and has resigned from that post. A regional meeting of the conference is being held in Columbus Thursday and his successor may be selected at that time.

Paul Brown with Kemper

Paul Brown has been appointed superintendent of the surety department of Lumbermen's Mutual Casualty and American Motorists of Chicago. Starting in 1903 in the general agency of the Fidelity & Deposit at St. Louis he has served successively with Equitable Surety at St. Louis, Southern Surety and

Changes to Increase Burglary Sales Urged by Mannon

SAN FRANCISCO—With reduced rates and a few form changes the national premium income from residence burglary insurance could be increased from \$7,000,000 to \$50,000,000 annually, Robert L. Mannon, assistant chief underwriter Fireman's Fund Indemnity, declared before the Casualty Underwriters Club of San Francisco in pointing out the sales opportunities in the burglary field. He believes the time has come for burglary underwriters to consider mass volume at small unit profit in their calculations.

Although the burglary policy in present use represents a major step forward, Mr. Mannon expressed hope that the trend will be continued in the immediate future.

The rating structure should be made easier for producers to use and quote, Mr. Mannon declared. Some progress has been made along this line. He recommended that the simplified rate structure now in use in Territory 12 (California) be considered for nationwide adoption, especially the ratio existing between the 100 percent blanket rates and those for sections (a) and (b) respectively of the divided cover form. "Slowly but surely by the program now in use in Territory 12 we are redirecting existing burglary insurance from the divided cover form into the 100 percent blanket form."

Mr. Mannon advocates a cooperative advertising campaign to popularize burglary insurance conducted by a central clearing house such as the National Bureau of Casualty & Surety Underwriters.

"Thought should be given to the possibility of an endorsement form of burglary coverage written by a casualty company which would lend itself to attachment on either residence or contents fire policies, for this is the most obvious method of getting our producers to bring the coverage to the attention of their present clients and to facilitate the sales of the small blanket policy. Granted that there may be legal and other obstacles, I believe the results to be gained would warrant the efforts necessary to legitimize this procedure," Mr. Mannon contended.

"If reduced rates are used as a principle to popularize burglary insurance in the future, there must, of necessity, be less reliance on physical standards and more emphasis placed on moral standards."

In answer to queries regarding plate glass, Mr. Mannon said the problems facing this coverage are much less than those pressing burglary insurance. "War nerves and war hysteria are reflected in the increased number of plates reported broken as a result of drunken brawls and scuffling," Mr. Mannon said. Present glass supplies on the Pacific Coast are adequate, but the cautious underwriter will endorse renewal policies on outside plates, permitting the company, at its option to replace the glass with two separate plates joined by a spacer bar. This should not be necessary, however, he said, except in the event of a catastrophe.

Carl A. Ernst has been appointed field supervisor of North American Life & Casualty of Minneapolis. He is a native of St. Paul. He started his insurance career in 1929, as clerk in the Reliance Life Minneapolis office. He was appointed assistant manager in 1939. He served on the educational committee of the Minneapolis Life Underwriters Association, chairman coordinators committee and chairman of the reception and hospitality committee. He is now a member of the executive committee. He is prominent in the Twin City Accident & Health Club.

Home Indemnity. He recently resigned as secretary of the latter company.

Labor on Plan of Interstate Rating of Casualty Risks

Committee Is Wrestling with the Problem and Will Get Producers' Views

NEW YORK—An approach to the solution of the vexed problem of interstate rating of casualty risks was the decision reached by the managerial committee handling the matter at its meeting here last week, to apply whatever method is finally adopted to intrastate as well as to interstate business. It was further the feeling that whatever excess charge might be shown to exist on multi-location risks in the regulated states, be applied to reduce the rates upon those located in the open states.

As a fundamental it was appreciated that gradation of the expense element of the business would necessarily have to be taken into account under any one of the three retrospective rating plans now being considered by the actuarial committee of the National Council on Compensation Insurance. The matter of expense gradation, while separate from the special function with which the interstate rating committee is wrestling, obviously will have to be integrated into whatever rating plan is finally agreed upon.

It is understood a further meeting of the interstate committee, of which Rollin M. Clark, vice-president and secretary Continental Casualty, is chairman, will be held within a reasonable time, at which representatives of the business producers will present their views upon the general subject.

Chicago Brokers Group Hails End of Safe Driver Reward

The safe driver reward which was eliminated in automobile insurance recently by the National Bureau of Casualty & Surety Underwriters in promulgation of a rate reduction on public liability and property damage, never should be permitted to return, it was urged this week by Ray H. Johnson, the new president of the Insurance Brokers Association of Illinois. That organization when the safe driver reward plan was adopted in 1938 went on record as opposed to it. The brokers now feel that although the plan was dropped nominally only for duration it may be permanently jettisoned.

"The premise upon which the association fought the plan," President Johnson said, "was that it would lead to controversy with assured, encourage non-reporting of accidents, encourage leaving the scene of the accident, tie up business with the original company thereby limiting the freedom of market enjoyed by the broker, and many other evils."

"We are thoroughly in agreement with the trend to curtail automobile accidents but we did not consider a 'bonus' plan as the answer. We felt then, as now, that education, effective drivers' license legislation and enforcement of the traffic laws would tend toward a reduction as quickly as a plan which had already proved unsound in neighboring Canada."

V. D. Cliff, president of Federal Life & Casualty, Detroit, won the autographed original manuscript of Edgar A. Guest's poem "America" at a war bond rally for pledging the purchase of \$50,000 of war bonds.

A. & H. Sales Real Contribution Toward Winning the War

SAN FRANCISCO—By selling more accident and health insurance to individuals, by working 14 to 16 hours a day instead of the average of six or eight hours, agents and brokers will be making a real contribution toward winning the war and maintaining democracy, Walter G. Gastil, Los Angeles manager of Connecticut General Life, told the sales congress sponsored by the San Francisco Accident & Health Insurance Managers Club, in speaking on "How to Sell Accident and Health Insurance." He gave several definite selling plans, designed to make the prospect picture himself in need of the indemnity. He emphasized the "first thoughts of a man, just injured, as he waits the doctor's decision" and suddenly realizes that he cannot carry on his work. These thoughts are based on the expense of medical and hospital care, he said.

Before giving a sample interview, in which he carries his client through all the steps of an accident or sudden illness, Mr. Gastil sought to answer a question asked by many men in the insurance business: "Am I in an important business during the war?"

Stimulates Self Reliance

From this point he told why agents, particularly those selling accident and health and life insurance, are actually contributing to the ultimate success of the war. Aggressive selling, he said, stimulates the virtues of self-reliance and self-dependence—something that must be restored in the United States. The greater the trend toward looking to the government for individual aid in times of sickness and accidents and other distress, the less will democracy prevail. The more the insurance agent re-arouses the spirit of individual independence from government aid, the stronger the American nation will become.

"A nation of dependents" will mean complete socialization and virtual dictatorship, with the citizens entirely controlled by government, while the more individuals there are who provide for themselves, the less is their dependence upon government. Furthermore, he pointed out, a nation of dependents means forfeiture of a government by the people, for those dependent upon government cannot voice their opinions or desires as to what they want or demand of elected government.

Mr. Gastil said accident and health insurance is primary insurance—with life insurance second—because it protects the source of all other things purchased by man—homes, automobiles, etc. That all comes from the earnings of the individual. Without earnings a man cannot own property—and therefore needs no property insurance.

"There are only three ways for a man to protect his earnings—his source of supply for everything he needs or desires to own—against medical costs," Mr. Gastil said. "They are, first, accumulated savings; second, go into debt and pay in the future from future income or, third, pay an insurance company a few cents a day and let the company pay the bills."

The sales congress was opened with a luncheon at which Raoul Magana, attorney for the consul general of Mexico, gave an interesting and informative talk on "good neighbor relations and hemispheric solidarity." He was presented by Herman Lundy, Continental Casualty, president of the club.

First talk on the "what, why, who and how" program was by Marshall Goodman, manager of Provident Life & Accident, who told what accident and health insurance is.

"Why You Should Sell Accident and Health Insurance," was told by John H. Casenave, Hartford Accident, who urged all company employees and producers to become members of the Insurance Eco-

How U. S., English Insurers in Shanghai Were "Liquidated"

LOS ANGELES—Speaking before the Accident & Health Managers Club of Los Angeles, P. M. Anderson, Oriental manager of the Occidental Life of California, with headquarters in Shanghai, gave some interesting data on how all British and American insurance companies were "liquidated" when the Japanese took over all business activities in Shanghai.

As soon as war was declared, Mr. Anderson said, all insurance companies, both property and life, were assigned liquidators with the idea of eventual liquidation. There was considerable confusion for about a month, both in the companies and in the minds of the liquidators, but eventually a standard method of operation was arrived at.

All assets of fire, marine and all casualty companies were frozen, one-half of the cash assets were immediately transferred to Japanese banks and an attempt was made to collect all outstanding indebtedness, particularly outstanding premiums, all of which were deposited in Japanese banks. No new risks were assumed and as policies expired, attempts were made under moral pressure to force insured to insure with Japanese companies.

The result was a rush by foreigners to the Swiss and French companies. The question as to the currency in which policies written was a difficult one and so far as possible Swiss francs were the medium. Chinese companies, which were restricted for reinsurance to Japanese companies, either not wanting Japanese reinsurance or lacking reinsurance facilities altogether, formed their own reinsurance pools. They were prone to increase their coverage to astronomically unsafe proportions. Companies which previously had not assumed more than 20,000 Chinese dollars on one risk were assuming as much as 1,000,000. Risks

on property owned by their nationals were largely placed with German and Italian companies.

By Dec. 1, Mr. Anderson believes, every enemy alien property insurance company will have been liquidated, their staffs discharged, their office furniture and equipment sold at auction and whatever securities they held legally or illegally disposed of.

The procedure with life insurance companies was somewhat different, owing to the fact they have a continuing risk. Through the medium of advertisements and direct mail, the public, particularly Chinese, was given to understand that the companies were being totally liquidated.

"Chinese dollar policyholders were urged to come in and surrender their policies for the cash value. Upon surrender, they were urged to take out new policies with the Japanese company that was liquidating the foreign company with which they had previously been insured. This attempt at liquidation by surrender met with practically no response except for one company, in which about one-third of the policies were surrendered. These surrender values when applied for were paid out of the Chinese dollar balances. No attempt was or obviously could be made to liquidate policies written in gold currencies."

"The general effect of the complete liquidation of property companies has been one of complete confusion both to the Japanese liquidators and to the insurers. Many properties which were formerly insured are now going uninsured as the owners consider the payment of premiums to any but companies of their own nationality a sheer waste of money. Enemy aliens in particular are not insuring property even in Swiss companies as they have reason to believe that if the properties become a loss when so insured any payments of claims would be seized by the Japanese."

American Auto Is Holding Series of Agency Meetings

Last week American Automobile held the first two of a countrywide series of educational meetings for its agents in connection with its new "all out" comprehensive personal liability policy. The first meetings were held in St. Louis and Pittsburgh. Other meetings will be arranged at convenient and strategic points by the heads of the company's 20 branch offices.

The meeting in St. Louis, which was in charge of L. H. Antoine, branch manager, was attended by more than 50 representatives of prominent agency offices. A dozen members of the home office family also attended, including President O. L. Schleyer and Executive Vice-president Otto Patterson.

Mr. Patterson spoke on recent developments in the automobile rate situation, in which he graphically recounted many important events in automobile insurance rating history in the past three decades in which American Automobile has played a leading role. Harry Lees, vice-president and head of the liability department, talked at length on the new comprehensive liability policy.

The meeting held at Pittsburgh was arranged by Resident Vice-President Jet Parker, and was attended by nearly 100 agents in that district. The principal speaker was Ray J. Beech, superintendent of production. Taking part during the day's discussions were Mr. Parker, members of the branch office staff, and James R. Hughes, resident vice-president in charge of the Philadelphia office.

Mr. Beech traced the history of liability insurance from its earliest stages through recent trends toward the all-inclusive type of protection which American Auto is giving in its new policy.

Columbus Congress Speakers

The sales congress to be held Friday by the Columbus Association of Accident & Health Underwriters in connection with the annual meeting of the Ohio association will start with a luncheon at which H. R. Cotterman, professor of education, Capital University, will speak on "Just Around the Corner."

The afternoon speakers will include Clyde E. Dalrymple, Milwaukee, immediate past president of the National association, "Not for One—But for All;" Mansur B. Oakes, Indianapolis, chairman National association educational committee, "Accident and Health Harvest Time for the Producer;" Frank Mueller, Jr., superintendent of agents Continental Casualty, "Present Day Prospecting," and W. R. Dignan, sales manager W. E. Lord Co., Cincinnati, "Selling Ideas."

BEFORE THE CAMERA AT OHIO AGENTS' PARLEY IN COLUMBUS



Left—Milton F. Johnson, Columbus; Henry Frankel, Cleveland; W. J. Coughlin, Cleveland (in front); Arthur J. Johnson, supervisor of agents Continental Casualty, Columbus; John L. Macbeth, Dayton; R. E. Bright, Royal-Liverpool, Cleveland; L. D. Gardner, Columbus. Right—Dana L. Jones, superintendent of agents; W. W. Waters,



state agent, and J. C. Hiestand, secretary, of Ohio Farmers; R. K. Hill, Springfield F. & M., Chicago, convention speaker; C. D. McVay, president Ohio Farmers; Robert Klie, president Insurance Society of Columbus and chairman local convention committee.



Left—J. F. VanVechten, Akron, vice-president Ohio association, Karl D. Dakin, Lebanon, retiring president, R. G. Wohn, Defiance, trustee, Ray Martin, Columbus, manager.

Right—Horace F. Place, Galion; Don E. Baker, formerly associated with Mr. Place, who obtained leave from coast guard at Cleveland to attend convention; Ira L. Morris, secretary Buckeye Union Casualty; S. H. Lance, Medina.



Left—R. T. Huggard, state agent Great American; T. M. Lynn, outgoing trustee, Zanesville; Tom Price, Zanesville, and N. F. Hort, Zanesville. Center—H. C. Conick, assistant U. S. manager Royal-Liverpool, convention speaker, and W. O. McLelland,

vice-president American National Fire. Right—Harry Minister, Columbus, winner of achievement award of Ohio association, and John L. Meyer, Brooks & Stafford agency, Cleveland.

Left—G. F. Schweer, secretary, Cincinnati Fire Underwriters Association; Helen F. Stecher, Upper Sandusky; G. B. Wilson, Cincinnati, Ohio trustee.

Right—H. K. Schaffler, assistant manager National Board, convention speaker; W. E. Jones, Columbus, general agent Security of New Haven; J. J. Hubbell, Chicago, resident secretary Security, and W. A. Sawyer, Cleveland, state agent Fireman's Fund.



Left—T. Y. Beams, vice-president Royal and Eagle Indemnity, convention speaker; C. F. Stewart, Cleveland, moderator at question and answer hour, and John H. Parks, Cleveland manager Royal and Eagle. Right—J. R. Crabbe, deputy superintendent Ohio



department; F. E. Jones, lieutenant U.S.N., president Buckeye Union Casualty; L. U. Jeffries, warden Ohio department, and S. W. Schellenger, sales promotion manager Buckeye Union.

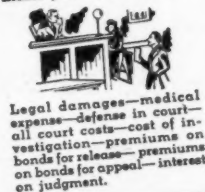
These are the Hazards
—which may result in injury
or damage for which you can
be held liable.



These are the Claims
—which may result from the
hazards.



These are the Costs,
Damages, and Expenses
—our Comprehensive Personal
Liability Policy pays for you.



Legal damages—medical
expense—defense in court—
all court costs—cost of in-
vestigation—premiums on
bonds for release—premiums
on bonds for appeal—interest
on judgment.

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PERSONAL LIABILITY Protection
Including Automobile Insurance

(In many cases the cost will approx-
imate premiums heretofore paid
for Automobile Insurance alone.)

You and your family can be
held legally liable for injury
or damage which may be suf-
fered by others due to a variety
of hazards associated with your
day to day personal affairs.
Now, here is your opportunity to
obtain, in a single policy, cov-
erage for all personal liability
risks—your residence—your
automobile—your dogs—sports
activities—personal acts of mem-
bers of your household.

In addition, *American Auto*
offers you *automatic* coverage for
changing, additional, or extra
hazards—unforeseen at the time
the policy is written. You do not
need to notify the Company of
such changes, but you enjoy full
protection at all times.

You can have Comprehensive
Personal Liability protection
immediately, without disturbing
existing policies. For complete
information, call your *American*
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ACCIDENT AND HEALTH

Accident & Health Week Observance Is Suspended

There will be no official observance of Accident & Health Insurance Week in 1943 and subsequent years during the war, according to a decision reached by the general committee in charge of the week.

While there were some members of the committee who desired to continue the observance on a modified basis, the majority of the committee felt that a suspension of this activity during the war would be preferable.

The general committee will be continued to resume its work after the war and to consider publicity and promotional aspects of the accident and health business in the interim.

Hear Pinckney in Boston

At the dinner meeting of the Boston Accident & Health Association Oct. 29, Laurence B. Pinckney, manager claim department U. S. Fidelity & Guaranty, will speak on close relation between claim, sales and underwriting departments and their functions. He has more than 38 years of experience in the accident and health field, in all these departments.

There will also be a discussion of the Elliot bill to extend the social security act to cover disability and hospitalization, and the work of the Insurance Economics Society in combating such efforts.

Gontrum Baltimore Speaker

Commissioner Gontrum of Maryland addressed the monthly dinner meeting of the Baltimore Association of Accident & Health Underwriters. He said the association has filled a very definite need, mentioning the falling off in the number of individual complaints because of the spirit of cooperation that has been created. He promised the fullest cooperation of the department in the solution of any problems. Mr. Gontrum suggested that the hospitalization companies be taken into the association and expressed the belief "that something should be done about the mail order business" in the state.

The association went on record as supporting the Insurance Economics Society 100 percent in its objective of counteracting tendencies toward government monopoly. It was decided that letters be sent to all members of the armed forces each month and that they be considered as active members, with dues waived.

Keane N. Y. Disability Manager

NEW YORK—R. J. Keane has been appointed manager of the disability division of the New York branch of Continental Casualty. He has had eight years experience in insurance, having entered the Luther-Keffer agency of Aetna Life on graduation from Fordham University in 1934. A year later he joined Equitable Society and in 1938 went with Continental Casualty as agency supervisor, traveling the eastern field, where he has made an excellent record in handling men and in producing business.

Blaul Heads Training School

Richard F. Blaul, for the past three years associated with the P. E. Ansel agency in Baltimore of Monarch Life and for two years agency supervisor there, has been promoted to take charge of Monarch's eastern training school in Peekskill, N. Y.

In that post he succeeds William R. Hill, who has been promoted to general agent in Richmond, Va. Thomas Pruitt will assist Mr. Ansel in the Baltimore agency, replacing Mr. Blaul.

Harrington Raps Pepper Bill

BOSTON—The Boston Life & Accident Claim Association heard Commissioner Harrington of Massachusetts op-

pose the steps being taken to put the government into the social insurance field through the so-called Pepper bill. The commissioner declared it is an invasion of private enterprise and not necessary since private insurance is doing a good job.

Weaver Hoosier's A. & H. Manager

I. A. Weaver has become manager of the accident and health department of Hoosier Casualty to succeed C. Norman Green, who is now in the army.

United Having Good Year

The United of Chicago is having one of its most successful years. Its premium income will reach \$3,000,000 and its surplus will increase 100 percent over the amount at the close of last year. The industrial department will show more than \$10,000 weekly debit increase.

SURETY

Stock Brokers Accept Checks Wrongfully Drawn; Must Reimburse Surety Company

LINCOLN, NEB.—The Nebraska supreme court again held that Smith, Landeryou & Co., Omaha brokers, must reimburse American Surety for \$10,320 which it had to pay the Fairmont Creamery Company. At various times Harold Gould, who handled the large insurance business of the creamery company, had the cashier draw checks to the order of the brokerage firm, representing that they were for insurance premiums. The brokers accepted these checks in payment for securities sold to Gould.

The lower court held that as the checks were of unusual size, the legal duty rested on the creamery company officers to find out if they were for moneys due and that they could have found out by looking in the telephone directory that Smith, Landeryou & Co. were not insurance agents. The supreme court, however, holds that as the brokers knew the creamery company owed them nothing, the legal duty rested on them of making inquiry as to why they were so drawn and what authority Gould had to use them to buy securities.

Even though the brokers were not guilty of moral turpitude or intentional wrongdoing, the court adds, they have no equities which preclude recovery by the surety company as assignee, even though the latter was a compensated surety.

Hedgecock Joins Maryland Casualty in Chicago

J. G. Hedgecock, for the past six years manager of the bonding department in the St. Louis office of Massachusetts Bonding, has joined Maryland Casualty in the Chicago office as an assistant to Edmond Madden, manager of the bonding department.

Mr. Hedgecock before joining Massachusetts Bonding was for many years with Aetna Casualty in the bonding division. He entered insurance after the last war and attended Aetna's training school. He spent some years in the Chicago office of Aetna Casualty until he joined Massachusetts Bonding.

He replaces J. A. Lemmon, Jr., bond underwriter, who recently was inducted into the army.

N. Y. Surety Claim Forum

NEW YORK—Wade Bounds, Maryland Casualty, was in charge of the meeting of the Surety Company Claim Men's Forum Oct. 28. Subjects to be discussed at the meetings, held every other Wednesday, are passed on by a committee composed of Ernest Fields,

United States Guarantee; Mr. Bounds, Stephen Maher, Glens Falls Indemnity; Jay Shegoff, Home Indemnity, and J. J. Soley, National Surety.

Discuss Contractors' Assignments

LOS ANGELES—The Surety Underwriters Association of Southern California discussed assignments by contractors for whom surety companies furnished bonds.

Chicago Party Nov. 17

The Surety Underwriters Association of Chicago will hold its annual party Nov. 17 at the Lake Shore Athletic Club. Edmond Madden, manager of the bonding department of Maryland Casualty, is president. The party this year will have a more serious tone than in years past, and naval aviation films are to be shown.

PERSONALS

Carl I. Winsor, Wichita, claim attorney of the Hartford Accident, was injured on the street in Oklahoma City when struck by a skidding auto, but was confined to the hospital only a few days.

John O'Hea, Newark manager of National Surety, was tendered a dinner in

honor of his first anniversary as manager by his associates in the office. He was presented a wrist watch. Mr. O'Hea is treasurer of the Surety Underwriters Association of New Jersey.

Vincent Cullen, president of National Surety and chairman of the casualty and surety section of the Greater New York Fund's 1942 campaign, reports that \$32,909 has been raised so far in the charity drive.

Mrs. Etta Pickering, 78, wife of John L. Pickering, former president of Illinois Casualty and collector of internal revenue under President Wilson, died at Springfield, Ill.

W. E. Slosson, 84, for many years co-manager of the attorneys' list department of United States Fidelity & Guaranty in Chicago, died. He started with that company Dec. 27, 1897, in Chicago, and retired in 1935, having spent the entire 38 years in the attorneys' list department traveling the midwest.

Rating Committee Members

NEW YORK—Membership of the classification and rating committee of the Compensation Insurance Rating Board for the term beginning Oct. 1, consists of Aetna Casualty, Continental Casualty, Liberty Mutual, Ocean Accident, State Insurance Fund and Utica Mutual.

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Harrisburg - Indianapolis - Los Angeles - Louisville
Milwaukee - Oklahoma City - Peoria - Philadelphia
Pittsburgh - Portland - San Francisco - Seattle
Topeka

CHANGES

Pittsburgh Manager and Dallas Agency Named

Accident & Casualty has appointed F. H. Buck as Pittsburgh office manager to succeed W. P. Smith, who resigned to enter the agency business.

Mr. Buck started in as a local agent at Altoona, Pa. Later he became Pittsburgh branch manager of Bankers Indemnity. He also traveled western Pennsylvania and West Virginia for Employers Liability, Continental Casualty, New Amsterdam Casualty and United States Casualty.

F. H. Buck is a native of Pennsylvania who attended St. Francis College, Lorretto, Pa., and studied law at Duquesne University.

T. A. Manning & Sons, Dallas, has been named general agent for Arkansas and Texas. The agency was established in 1904 and is headed by Foster Yancey.

Eurton with American Auto

Lynn Eurton has joined American Automobile as special agent with headquarters in Cincinnati. Mr. Eurton towers six feet 9 1/4 inches and tips the scales at 265 pounds. He commanded much attention at the convention of the Ohio Association of Insurance Agents at Columbus. Previously he has been with General Motors.

Miss Sligar Employers Special

Miss Nora E. Sligar has been appointed special agent of Employers Liability for southern California. She will travel Beverly Hills, Santa Monica, Ventura and coast territory as far north as Santa Barbara. For several years she has been with a well known firm, two years as manager of the insurance department.

Moore to Oak Park

W. E. D. Moore, formerly life supervisor for Illinois, has been named Oak Park, Ill., manager for the State Farm companies of Bloomington. Prior to going with State Farm Life, Mr. Moore was with Metropolitan Life in Chicago for over six years.

ASSOCIATIONS

Hermann Discusses Stays for Assured in Service

J. J. Hermann, independent adjuster and member of the current events committee of the Casualty Adjusters Association of Chicago, discussed some aspects of the soldiers and sailors civil relief act at the association's meeting last week. He confined his remarks to the question of when a stay of proceedings may be granted because the defendant is in military or naval service and his conclusion was that a company representing such a defendant must have a good reason for asking for a stay and it would be unwise to hold up a settlement merely because the assured is in service.

Within the past month, Mr. Hermann said, there have been three conflicting decisions of federal courts on this point. One held that the judge should not continue the case unless the company insuring the defendant in military service puts up a bond guaranteeing to pay any judgment the plaintiff might obtain. Another case denied a continuance because the defendant was insured and the plaintiff had agreed to limit recovery to the limits of the policy. Mr. Hermann called this case particularly unfortunate, since it does not give the insurance company much chance to put up a meritorious defense. The third case upheld a continuance.

Mr. Hermann emphasized that there is no intent in the act to grant a blanket

stay of proceedings to all civil actions against persons with the armed forces. He quoted some cases arising out of the war in 1917-18 indicating that a continuance may be granted where it can be shown that the defendant would be an important witness in the case and that it is physically impossible for him to be present, but this plea was turned down in one case where the defendant, although in the army, was stationed near his home. Mr. Hermann added that the current case requiring the insurance company to put up a bond guaranteeing to pay any judgment the plaintiff might obtain is dangerous because it apparently precludes the company preserving any right to set up a defense that the policy does not cover the assured in the accident, even if the facts should later indicate this.

Adjusters Get Broker's Angle

LOS ANGELES—The Casualty Insurance Adjusters Association of Southern California heard O. L. Cox of the Los Angeles office of Johnson & Higgins talk on trials and tribulations of a broker in obtaining and retaining his business.

He admitted the adjuster has a tough job in trying to please the insured and the broker if a loss occurs, and yet not give away everything the company

owns. After defining the differences between the functions of the broker and the agent, he mentioned ways in which the broker goes about getting his business, placing it and holding it on the books.

He asked whether the broker is necessary in the insurance business and answered by saying that if the broker were eliminated it would not be long before the customers would recreate the position.

Members of the association were urged to aid in creating a panel of doctors in order to maintain adequate medical service in view of the fact that so many physicians are going into the service.

Buffalo Club Elects

The Casualty & Surety Club of Buffalo at a recent meeting elected Kenneth R. Popham, manager Fidelity & Deposit, president; Robert Lentz, secretary Buffalo Fire Office, vice-president, and Robert T. Schaller, manager National Surety, secretary-treasurer. Directors elected for a three year term are Frederick Wheeler, vice-president Tiernon & Co., and D. L. Outerson, manager Hartford Accident.

WAAC Officer Is Speaker

DES MOINES—Evelyn Perry, WAAC officer, formerly in the group

life department at the Travelers home office, addressed the Des Moines Casualty & Surety Club, describing the organization and activities of the Women's Army Auxiliary Corps. She was in the second group of officer candidates commissioned and now holds the rank of third officer or lieutenant.

Standard Accident Club to Hold Annual Muster

The annual dinner for home office members of the Ten Year Club of Standard Accident will be held this year on Nov. 5. More than 200 employees will be in attendance.

This year the dinner will be marked by the first group presentation of service pins to company employees who have served the organization for 10, 15, 20 and 25 years. C. C. Bowen, president of Standard Accident, will give a brief talk.

Officers of the club are: Hal A. White, president; Margaret Hampshire, vice-president; W. L. Alexander, vice-president and treasurer; Opal McKenzie, secretary. E. A. Warnica and Merle Thompson are co-chairmen of the event.

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| 2 | 44 | 77 | returns |
| 1 | 22 | 58 | door |
| 2 | 76 | 77 | fronts |
| 2 | 44 | 77 | returns |
| 1 | 22 | 58 | door |
| 4 | 62 | 77 | fronts |
| 4 | 44 | 77 | returns |
| 2 | 22 | 58 | doors |
| 1 | 124 | 77 | front on Orangelaan |
| 1 | 42 | 77 | return |
| 1 | 22 | 58 | door |
| 1 | 43 | 77 | return |
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Closer Ties with F. I. A. Sought

(CONTINUED FROM PAGE 1)

to present counter arguments that would have justified their commissions and to point out complications that might arise under the lowered rates and commissions, and the F.I.A. had acted hastily. Acknowledging some of these points, Mr. Pierce assured the committee that the matter was such that it demanded prompt action, and was sincere in pointing out that as long as he heads the F.I.A., a post he just recently occupied, the producers' viewpoints on matters of common interest would at all times be sought. He presented the background on D.P.C. business and expressed personal opinions on this and other trends that were given an attentive ear by the committee members.

As to the F.I.A. consolidation plan and the resolution against this move adopted by the Chicago convention or the National association, it was a case of which came first, the chicken or the egg, he said. It was odd the agents could adopt such a resolution when they did not have at first hand all the facts and plans involved in the consolidation movement. The committee countered that it was the absence of just such information which possibly occasioned the demand for such a resolution, and that, of course, it was adopted only on the basis of preserving autonomy within the three territorial groups as the plan was visualized at that time by the agents within those regions.

Explains New Factory Plan

Explaining the proposed plan, Mr. Pierce said that the directors of the F.I.A., composed of chief executives, will dictate general operating policies, especially as to classes that may be written. The eastern, western and Pacific divisions each will operate under their own managements and will elect their own advisory committees, he said, with the restriction only that management policies adopted by each territorial division must not run into conflict with nor be contrary to set nation-wide policies. The entire movement, he added, is in the interests of uniformity both as to underwriting practices and share participation of the companies, and there is "much in favor of the consolidation if it is wisely handled."

The executive committee feels that the discussion held with Mr. Pierce was most beneficial to the National association and its membership, and that it inaugurated a particular objective of the present administration in effecting better company and public relations.

President A. C. Wallace of the New York State Association of Local Agents and Gustave R. Michelsen, chairman of the executive committee of the Association of Local Agents of the City of New York appeared before the committee on the subject of branch offices, and the problem was reviewed by the committee. Several methods used successfully by local and state associations that have controlled or have restricted such operations locally were discussed. Several new and important conclusions were reached as a result of this conference, which the executive committee will subsequently recommend as a basis for action.

An entirely revised method of selecting committee personnel was adopted, and there was reviewed the work and objectives of each of the committees designated previously by the board. These committees, except for the finance committees, which must be appointed in accordance with the constitution, are:

Casualty and surety, accident prevention, fire prevention, education, inland marine, membership, rural agents, Business Development Office, and public relations.

The public relations committee is a new one. It will deal, in addition to the named subject, with matters and federal affairs, relations with credit men, formerly under a separate committee, and other public relations matters delegated to it.

The operations of the Washington office of the National association, which since its establishment in 1934 has been of considerable value and benefit to the membership, were explored with a view to increasing its effectiveness.

New qualifications that state associations must meet in competing for the Connecticut association membership cup, which replaces the 21-year-old President's membership cup and which will be awarded initially at the next annual convention, were set up by the committee, widening the scope of the contest and giving greater recognition to numerical increase, membership turnover, and local board operation.

Previously the percentage membership increase during the preceding fiscal year was the sole basis of award. The new qualifications are on a point basis and recognize percentage of coextensive local, county and regional boards in relation to the total number of recognized boards in the state; numerical membership increase; percentage membership increase; low membership turnover for reasons beyond the state association's control, and outstanding endeavor in the development of membership generally or the establishment of new local boards.

At the closing session the committee adopted a genuinely warm memorial on the passing of J. H. Doyle, general counsel of the National Board.

Fred A. Moreton of Salt Lake City, vice-president, presided at the meeting with President North and all members attending. Committee members present were Hunter Brown, Pensacola, Fla., and Guy T. Warfield, Jr., Baltimore, representatives on the committee from the board of state directors; Thomas G. Redden, Greensboro, N. C.; W. Ray Thomas, Pittsburgh, Pa., and Harry Perk, Jr., Los Angeles.

Others present during part of the deliberations were General Counsel Walter H. Bennett, Assistant Secretaries J. B. Miller and Geo. DuR. Fairleigh, Assistant Counsel William T. Reed, Jr., of Washington, and Educational Director George W. Scott. L. C. Hilgemann of Milwaukee, Wisconsin, a member of the executive committee last year, who was in New York on business, sat in on some of the sessions.

See Credit Balance on War Risk Cover

(CONTINUED FROM PAGE 3)

risk rates on cargo shipments now average between 12% and 15 percent compared with about 1 percent before Pearl Harbor. The higher scale of rates, coupled with a reduction of from 50 to 75 percent in liabilities, is expected to result in an improved margin of premiums over losses paid in the final months of this year, offsetting the less favorable showing when ship sinkings were at their height.

Ontario Agents Reelect Kirby at Annual Meeting

(CONTINUED FROM PAGE 3)

Of 2,520 agents who have signed the required form, 596 have been placed in class A, 39 in class B and 32 in class C.

The form may be extended some day to classes of insurance under C.U.A. jurisdiction other than fire. Pending resignations of two groups of companies

from the C.U.A. have been withdrawn, he said.

The greatest menace to the insurance business from the agent's standpoint is the possibility it will be taken over by the government, and the danger of this threat seems to be growing, Albert Dodge, Buffalo, a member of the executive committee of the New York State Association of Local Agents, said in his talk.

Under war conditions a tremendous load has been put on the shoulders of agents, he said, and agents must meet this test if they are to demonstrate they are a vital part of the agency system.

Incendary fires to collect insurance have declined in Ontario since the war started in Canada, Carl W. Caskey, deputy fire marshal of Ontario, told agents. However, Canada's fire loss is alarming, with an increase of \$5,250,000, in 1941 compared with 1940.

A decline in the number of licensed fire and casualty agents in Ontario during the coming year is anticipated by Hartley D. McNairn, superintendent of insurance for the province. There are few new applications being received. Where agents have gone into war work, the insurance department is agreeable to license continuations. In some cases wives of agents are keeping the business going. However, where an agent goes into war work for the increased income, continuation of the license is being left to the discretion of the advisory board.

The report of Charles Priestman, secretary-treasurer of the association, revealed a sound financial position. A membership gain to 684 was reported by W. H. Shaver.

The Ontario association also adopted a resolution asking for a 20 percent cut in automobile public liability, property damage and collision rates, regardless of business use except for private passenger vehicles used for commercial delivery, experience rated risks, and risks requiring proof of financial responsibility.

Says Qualification Measure Is Needed in Maine

At the annual meeting of the Maine Association of Insurance Agents, John Whitcomb of Bar Harbor, president, advocated very strongly a suitable agency qualification law. In his presidential address he discussed the war damage program telling what agents have already done and what more they must do in order to make it a complete success and to convince the public and the federal authorities that they can be relied upon to meet all reasonable requirements. He touched on other jobs that agents as a group will be called on to perform in the war effort. He said associations should be alert to every demand.

He also stressed the fact that agents who go in the armed service should have their business protected by the other agents in the locality. President Whitcomb declared that agents should be thinking about the after the war situation. There will be a rush back into civilian work of the demobilized army, demobilized shipyard and demobilized government activities of various kinds.

The Maine Association of Insurance Agents elected officers as follows: John Whitcomb, Bar Harbor, president; Norman S. Goodwin, Rumford, first vice-president; James W. McClure, Bangor, second vice-president; Roger Hall, Fort Fairfield, third vice-president; E. Shepley Paul, Auburn, secretary-treasurer; F. F. Bartlett, Waterville, national state director.

Howard McCulloch, special agent of American Surety in Los Angeles, has resigned to take up defense work.

Maj. C. B. Staats, 78, president Coal Merchants Mutual of New York, died at his home in Albany Tuesday.

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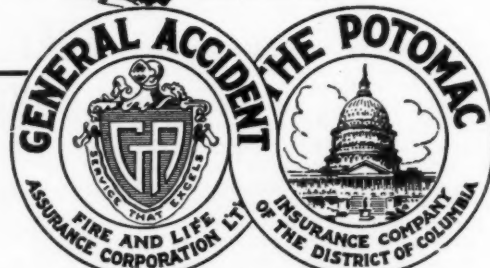
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Family Group Evils Hit by Illinois

(CONTINUED FROM PAGE 19)

pany, if any, would be \$15. If 61-year-old Uncle Bill passed away under the proper circumstances, the company would pay \$15."

Mr. Jones said that he fully recognizes his responsibility as insurance director of Illinois regarding such practices by Illinois companies. However, while remedial action available under the Illinois insurance code is now under study, he feels it is better to handle such situations under law rather than by exerting his power as supervisor in crushing any practice which he considers to be an evil one. To follow the latter course, he pointed out "would put all insurance, good and bad alike, at the mercy of one man's judgment. It means forbearance or usurpation of power according to the opinion, disposition or prejudices of a temporary administrator."

All Policies Are Limited

There is nothing basically wrong in writing limited policies of insurance, Mr. Jones pointed out. Every policy of every company is limited in some respect and the entire business rests on the foundation of limited liability. The plan of insuring more than a single risk under one policy is both ancient and sound. To forbid the practice would require disapproval of thousands of contracts that are beneficial both to the carrier and the insured. Mr. Jones does not favor restricting the use of mails, press and radio as a medium of advertising.

In considering what can be done to "discipline men of the industry who lack that degree of forthrightness that should and generally has characterized the insurance business as a whole," Mr. Jones said that it presents a serious problem. Continued existence of such an evil tends to destroy business ideals and threatens to sabotage years of labor and education on the part of enlightened management. "There are in the ranks of every profession, trade and business the off-spring of two proven sires—the progeny of honesty and the progeny of greed. In the long pedigree of the insurance business there will be found the sons and grandsons of both original sires. I cannot say that the progeny of greed is confined to any one class of companies, or any kind of policy. The bold type and red ink of the printed page, and the hocuspocus of the radio announcer are but modern characteristics of the original sire of deception and greed."

Would Shake Public Confidence

To permit the continuance of such practices would shake the confidence and trust which the public now has in the great institution of insurance, Mr. Jones declared. It threatens to undermine the foundation of integrity and good faith which over the years, has been so carefully laid by the pioneers of the business.

In addition to the efforts which he promises to make in eliminating the evils which he cited, Mr. Jones asked if it would not be well to follow the lead of that band of well managed and reputable companies which offer to the insurance public limited policies, fairly priced and honestly sold to meet the need of the low income groups?

P. L. Crafts Appointed

NEW YORK—P. L. Crafts has been appointed manager of the fidelity and surety department of Home Indemnity, succeeding Paul Brown who resigned to go with Lumbermen's Mutual Casualty of Chicago. He was previously with National Surety. His first business connection was with Home in this city. Subsequently for several years he was employed by an international banking house. In 1921 he re-entered insurance with National Surety

American Auto to Meet New Bureau Rates

(CONTINUED FROM PAGE 19)

cago) for both bodily injury and property damage, is \$24 under the new bureau rate, \$23.90 under American Automobile rates; for the B card holder, it is \$26 compared with \$26.35, and for the C card holder \$28.25 compared with \$35.55. In territory 3 of Illinois the figures are \$19.50 against \$19.65; \$21.25 against \$21.65, and \$23 and \$29.10. In territory 6 the figures are: \$15.50 and \$15.35, \$16.95 and \$16.95, and \$18.40 and \$22.90.

The relative differences country over probably will not vary greatly from the differences reflected in these illustrations.

Continental Casualty Action

Continental Casualty and National Casualty withdrew from the bureau when the safe driver reward plan was introduced because the management felt that the plan was not a sound one. The elimination of the safe driver reward plan brings the two leading non-bureau companies back into essential agreement with the bureau on automobile rates.

The Illinois department approved the new bureau rates, retroactive to Sept. 1, with the exception of a slight modification in the P. D. schedule. The bureau's filing countrywide called for the same property damage rate for A, B and C ration card holders. The Illinois department felt that since a differential was set up in the bodily injury rates to reflect the mileage difference in these three categories, a similar differential should be made for property damage. So for territory 1, instead of accepting the bureau's filing of \$8.50 for property damage the department accepted instead a modified filing of \$8.50 for class A, \$8.75 for class B and \$9 for class C. For territory 2 the rates are \$7.25, \$7.50, and \$7.75 for the three classes; territory 3, \$7.75, \$8 and \$8.25; territories 4, 5, 6, and 7, \$5.25, \$5.45, \$5.65, and territories 8 and 9, \$4, \$4.10, \$4.20.

When in Doubt, Using B

One of the big questions that immediately presented itself to insurance agencies and offices in non-rationed areas was what kind of ration card assured would get. If the policyholder himself did not indicate what type of card he expected to be granted, then the agency was faced with the problem of what classification to put him in, A, B or C. The individual situation in some cases was clear enough to govern; for instance, if the policyholder were a doctor, he could automatically be put in class C. If he were a defense worker, very likely he would get a B card. In cases of doubt, where assured did not indicate what he expected in way of ration card, the agencies and company officers were using the B classification. As one agent pointed out, if he were put in a B classification and later got an A card, he would be entitled to something of a refund which the agency could forward to him. However, if he were put in an A category and secured a B card, then it would be difficult to collect the additional premium due the company.

In the gas rationed states approximately 80 percent of the cars have fallen in the A classification, and while application of rationing is expected to be somewhat more lenient in the rest

of the country, undoubtedly most drivers will get only A cards.

Some Rewriting Will Be Done

It is too early yet to tell how many requests will be made for cancellation and rewriting as of dates prior to Sept. 1. Some of the offices expect little of this, while others believe there will be an appreciable amount since even on short rate cancellation some assured can save money by going back of Sept. 1 two or three months. For instance a policy formerly written under the B classification for an assured who can get an A card can be cancelled as far back as June and a saving effected. There will be little weight to the argument that assured whose renewal is before Sept. 1 would lose the safe driver reward by cancelling; he might have an accident and lose it during the waiting period anyway, and on rewriting he gets an immediate 10 percent reduction plus the other reduction benefits.

Whatever cancellation and rewriting is done, it will not, according to agents, throw much of a burden on office per-

sonnel. About 75 percent of the automobile business of most offices is done in the spring months, April, May and June, which will limit the number of requests for rewriting.

Expense Ratio Big Problem

Both companies and agencies expect a sharply reduced volume of automobile premiums as a result of the new rates. This may not run as much as 40 percent, but will be heavy. The theory is that the bureau companies and agents will secure some additional assured because of the competitive character of the rates. It is also possible that agents can, if they work at it, sell some automobile drivers who did not previously carry insurance.

But it is going to be a real job at best for both producers and insurers to cut expenses enough to keep them in proper ratio to the reduced premium volume. It is possible that the agency, as a smaller unit, will be a little more flexible in this respect than the larger, more unwieldy company, but it will be difficult for both. The agency can make up some of the premium volume by selling other lines, but it cannot reduce its operating staff very much if it is efficiently to handle a business of which automobile is only a part. It is as easy to make out a policy for a

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and soon was appointed manager of its city and brokerage departments. In 1928 he was given charge of the contract bond department of its metropolitan office, which post he held for 10 years when he was made business production manager.

Walter Kent, Iowa special agent of Commercial Union, has entered the service and is taking his basic training at Estherville, Ia.

premium of \$40 as it is to make one out for \$25.

However, bureau agents in general are pretty well pleased with the rate reduction. It puts them on a competitive basis with producers of independent companies that have heretofore charged a lower rate. Also, they feel that because of the much lower rate now in effect they will have little of the difficulty they feared they would have in keeping assured on the books during the war period. The new rates give the public a real bargain. If an agency has 10,000 automobile units on its books and can keep them there throughout the gasoline rationing period, it will be in a satisfactory position to go ahead after the war is over. The big thing now is to keep going throughout the emergency.

Medical Payments, Higher Limits

Some agents and brokers are including medical payments and higher than standard limits when they send renewal notices that reflect the new rates. In this way they can make up some of the difference in premium which otherwise they would lose, and still offer a substantial premium reduction. This method has already proved successful, most of assured accepting the broader coverage.

It now seems to be an excellent time to push both the medical payments endorsement, with the new low rates, and higher liability and property damage limits. Car sharing now is coming into wider use as gas rationing spreads. This makes a strong argument for both medical payments and higher limits.

The reduction in automobile rates to virtually the same level for all stock companies, and to a level which will not be much higher than that of non-stock carriers will be a new situation in the automobile field. Automobile insurance has been purchased for many years on a price basis. With little difference between rates of insurers, the sale of insurance will depend a good deal more on service. The company and agency that does a good job on an efficient basis will tend to get more and more of the automobile volume, observers feel.

The Indiana department has approved the new rates filed by the National Bureau of Casualty & Surety Underwriters. They will go into effect as of the first day that gasoline ration books are issued in Indiana, and will be retroactive to Sept. 1.

In Indianapolis the new private passenger bodily injury rates will be \$9.50 for automobiles limited to an A gas book, \$10.50 for the B book and \$11.75 for all others. Rates now range from \$13.50 to \$18. For property damage, the new rate will be \$6 for all private passenger cars compared with present rates of \$6 to \$8.

New rates in some other Indiana territories are: East Chicago, \$14.25 for A, \$16 for B and \$17.75 for C for bodily injury, and \$9 for property damage;

Jeffersonville and New Albany, \$8.50, \$9.50, and \$10.50, and \$6; Terre Haute, \$10.50, \$11.75, and \$13, and \$6.75; Anderson, Elkhart, Kokomo, Lafayette, Logansport, Marion, Michigan City, Muncie, Richmond, Evansville, Fort Wayne, South Bend, \$8.50, \$9.50, and \$10.50, and \$6 for all cars for property damage insurance; balance of state, \$6.75, \$7.75, and \$8.50, and \$6.

The bureau filing has been approved by the Oklahoma insurance board, effective Oct. 30 and retroactive to Sept. 1.

REDUCTIONS ON THE COAST

Reductions as high as 45 percent on bodily injury and up to 35 percent on property damage rates were filed by the Pacific Coast branch of the National Bureau of Casualty & Surety Underwriters with Commissioner Caminetti of California under the voluntary motor vehicle agreement Oct. 23. The new rates went into effect Oct. 26 and are retroactive to Sept. 1. Practically all the other companies, including most independents, also filed bureau rates.

In Washington non-bureau companies had already met American Automobile filings. When the bureau companies Oct. 22 filed new rates with the state department, the Northwest Automobile Insurance Conference called a meeting and virtually all non-bureau companies in the state agreed to meet the lower bureau rates. Coincidentally, the non-bureau carriers decided to change the retroactive date of their filing from Aug. 1 coinciding with that of American Automobile, to Sept. 1, the bureau's retroactive date.

The new Washington rates, which become effective Nov. 5 are: Territory 1, bodily injury, \$14.75 for A, \$16.75 for B, and \$18.50 for C and \$9 for property damage; territory 2, \$13.25, \$14.75, and \$16.50, and \$6; 3, \$11.25, \$12.50, and \$14.00, and \$6; 4, \$12.50, \$14.25, and \$15.75, and \$6; 5, \$10.50, \$11.75, and \$13, and \$6; 6 and 7, \$9.75, \$11, and \$12.25, and \$6.

In Oregon most of the non-bureau companies took no action in meeting American Automobile's filing earlier in the month, awaiting action by the bureau companies. The bureau rates now are expected to be met.

The new Oregon rates filed by the bureau are: Territory 1, bodily injury, \$14.50 for A, \$16.50 for B, and \$18.25 for C, and \$8.50 for property damage, all classes; territory 2, \$10.25, \$11.50, and \$12.75, and \$5.75 (which is the P. D. charge also in territories 3, 4 and 5); 3, \$8.75, \$10, and \$11; 4, \$7.50, \$8.25, and \$9.25, and 5, \$6.25, \$7, and \$7.75.

Observing 35-Mile Speed

According to the International Association of Chiefs of Police, the 35-mile an hour nationwide speed limit is being observed almost 100 percent. Most of the violations are occurring in war plant areas and are made by war workers who are under the erroneous impression that since their work is of an essential nature the speed limit does not apply to them. Joseph B. Eastman, director of the Office of Defense Transportation, said that ODT is preparing to review cases of local speed convictions with a view to recommending that the Office of Price Administration revoke gasoline ration books of violators in flagrant cases.

Fire Class for Young Women

Due to increasing shortage of manpower Automobile and Standard Fire of Hartford are conducting a class in fire underwriting composed exclusively of young women. It is directed by J. F. Dissell, assistant secretary fire underwriting department. There is classroom instruction in the morning and actual working assignments in underwriting departments in the afternoon. The preliminary instruction course will last from six to eight weeks, after which the girls will be assigned to full-time duties in the underwriting department, but will continue to have special instruction until they prove themselves as junior underwriters.

New Hampshire Agents Hold Annual Muster

MANCHESTER, N. H.—The membership and finances of the New Hampshire Association of Insurance Agents are in excellent shape, R. M. Clark, Keene, stated in his annual report as president at the convention here Wednesday.

Mr. Clark complimented the association on its work in connection with war damage insurance. The association was one of the few to hold a forum on this type of coverage as early as June, and it was well attended. The records show that those agents who did attend did an almost perfect job in assisting their clients in completing their applications

for war damage coverage accurately. This again proves, Mr. Clark asserted, that knowledge and the proper application of it makes for a qualified agent.

The following officers were elected at the Wednesday afternoon session of the convention: Kenneth R. Kendall, Rochester, president; Frederick D. Gardner, Portsmouth, vice-president; Stewart Nelson, Concord, secretary-treasurer, and George E. Clark, Lisbon, national state director.

N. H. Women's New Officers

MANCHESTER, N. H.—The New Hampshire Insurance Women's League elected new officers at the annual meeting here Wednesday: President, A. Edna Riel, Melcher & Prescott, Laconia; vice-president, Eunice A. Wood, G. Leroy Gowen, Dover, and secretary-treasurer Katherine Donovan, Morrill & Everett, Concord.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Many Responses Received to War Damage Inquiry

Response to the inquiry sent out last Friday to members by the executive office in Chicago of the Illinois Association of Insurance Agents in an effort to stimulate the sale of war damage coverage in Illinois has been very satisfactory. Twenty-four replies were received in the first mail Saturday and 12 replies Monday. All the agents who replied expressed themselves as eager to push this work in the state and some said they have been very active and have given all their clients opportunity to buy the coverage.

As a result of the activity of McCullough Winters, association president, at Quincy, the Chamber of Commerce there held a conference Wednesday to which all agents in the city were invited to discuss the matter of war damage coverage and to plan the job of increasing its sale.

An agent in his reply to the Illinois association inquiry stated in his town of 700 population he had sold 40 war damage policies. Figuring three persons to a family, this would indicate he had sold about 17 percent of all the home and property owners there.

The Illinois association is making available to agent members a letter at cost for sending to assured and other prospects, and to non-members a post card in order to stimulate the educational effort.

Important Changes Are Made in Ohio Licenses

Important changes in rules and procedure for Ohio casualty and surety examinations beginning Nov. 1 were announced in Cincinnati by J. F. Schweer, secretary Cincinnati Fire Underwriters Association. Heretofore an applicant could be licensed for either casualty or surety. If he desired to be licensed for soliciting casualty insurance only he took the casualty examination and likewise the procedure was followed for surety. The examinations were conducted separately. If one wanted to be licensed for both he took both examinations but was permitted if he wished to take them on different days.

Under the new rules an applicant, whether an agent or solicitor, must qualify for both casualty and surety. He need not be licensed for both branches but he must qualify for them, undergoing a combined examination. Under it there will be 40 questions.

The Ohio department will continue to issue the solicitor's license in the same manner as before, that is, one may be licensed for agent "A" for fire; Agent "B" for casualty; Agent "C" for surety, or he may be licensed as an agent for all three divisions. The new manual of casualty and surety questions as prepared by the Ohio department will be used exclusively in the examinations.

Decide Soon on Whether to Hold Minnesota Mid-Year

MINNEAPOLIS—Whether the Minnesota Association of Insurance Agents will hold a mid-year meeting this winter will be considered at a meeting of the executive committee at St. Paul Nov. 10. The mid-year meetings have been popular and highly successful, both from attendance and educational standpoints, and in these respects they have taken the lead over the annual summer meetings.

There is some sentiment noted in favor of combining the two for the duration.

This may be discussed at the meeting Nov. 10 at which Howard Williams, Mankato, will report on educational program for the coming year. Eugene Billedeau, Grand Rapids, will outline the membership drive and L. E. Hatlestad, Minneapolis, will present the budget for the coming year.

On Nov. 5, President R. A. Thompson, Secretary Frank A. Preston and Armand Harris, chairman of the executive committee, will attend a meeting of the Southwest Minnesota Agents Regional at Worthington.

Danville, Ill., Loss Is More Than \$300,000

A 12-hour fire almost completely destroyed the H. J. Lauhoff Grain Company's four-story building at Danville, Ill., this week. There was \$181,000 insurance on building and machinery and \$108,000 of use and occupancy on the plant. The loss is estimated practically total. The company manufactured breakfast cereals and dog foods.

Neb. Controversy Over Renewals

LINCOLN, NEB.—Insurance Director Fraizer had a knotty question put up to him this week. An agent in an Omaha general agency recently went to war. Before he left he took from the files of the agency his list of renewals. These he gave to his wife, who promptly applied to the department for a license. The agency head, who had discovered the loss of the list, objected, and asserted that it was not the property of the agent. While the matter was pending the husband wrote to the department saying that he removed the list because it belonged to him. Being of the opinion it was a matter of fact and possibly of law, and there being no legal reason for refusing the wife a license, he directed that one be issued to her.

Minnesota Mutuals Elect

At the annual meeting of the Minnesota Association of Mutual Insurance Companies in Minneapolis these officers were elected: President, Hjalmar L. Hjermstad, Citizens Fund Mutual, Red Wing; vice-president, D. F. Raihle, Hardware Mutual, Minneapolis; secretary-treasurer, A. J. Dahlstrom, Minneapolis.

Directors are C. S. Laidlaw, Minnesota Farmers Mutual, Minneapolis; James E. Kidd, Mutual Implement & Hardware, Owatonna; Mr. Raihle; Mr. Hjermstad; S. T. Sager, Austin Mutual, Minneapolis, and Mr. Dahlstrom.

Mr. Laidlaw was elected to represent the Minnesota association as director of the National Association of Mutual Insurance Companies.

Jackson, Mich., Now Self-Insurer

JACKSON, MICH.—In accordance with a decision reached by the city commission several weeks ago, the city of Jackson has definitely launched a self-insurance program. The commission authorized transfer of \$15,000 from the contingent reserve fund to a special insurance reserve fund. The commission also voted to cancel, as they expire, all city automobile and fire policies except those on the sewage treatment plant, which must remain insured under an agreement with the federal government, and on the city voting machines, described by A. J. Koenig, city manager, as "too concentrated a risk."

Central Wisconsin Mutuals Meet

WAUSAU, WIS.—Problems confronting farm mutuals under wartime

conditions, methods of fire prevention in rural sections, and matters to be included in the legislative program at the coming session of the Wisconsin legislature were discussed at the quarterly meeting here of the Central Wisconsin Farm Mutual Insurance Association. About 75 representing some 25 mutuals attended. Ben Lang, McMillan Grange Fire, is president and C. H. Wanner, Almena, Barron County Mutual Fire, is secretary-treasurer.

Myers Named in Evansville

EVANSVILLE, IND.—William C. Myers has been reelected president of the Evansville Association of Insurance Agents. He was president of the Indiana association in 1939-1940 and has been active in association affairs for 10 years.

Phil Euler was elected vice-president of the local association and George A. Rimroth secretary-treasurer. Directors are H. B. McCoy, J. Roy Dill, B. J. Schenk, Morris Levi, Ralph McReynolds, Ed Lawson, T. M. Lukens and the three officers.

Detroit Agents in Civic Work

DETROIT—Operating under President W. B. Cary, Michigan Insurance Agency, volunteers from 21 agencies affiliated with the Detroit Association of Insurance Agents will mobilize this week to call on all fire and casualty agencies and offices except home offices in the metropolitan area in the interests of the city's war chest drive.

The association also has requested volunteers to spend full or part time for several days assisting the gas rationing board. Nearly 60 have already pledged their time.

Nebraska Women Active

More than 100 fire insurance women attended a meeting at Omaha for the purpose of organizing an insurance women's association there. Mary Ellen Kemmler of the Midstate Underwriters was chosen president; Genevieve E. Crosby, National Security, vice-president; Mildred Jensen, Crum & Forster, secretary, and Edna Kennedy, Morrison & Co., treasurer. Ada Lathrop and Doris Mundt of Sioux City, Ia., and Ellen Deming and Elizabeth Morris of Lincoln were present, all being members of the women's associations in their cities.

Cincinnati Women Elect

The Cincinnati Association of Insurance Women elected these officers: President, Rose Schill, Hartford Accident; vice-presidents, Nita Sloan, Fidelity & Deposit, and Catherine Prieshoff, Perkins & Geohegan; recording secretary, Dorothy Rath, Standard Accident; corresponding secretary, Geraldine Woolever, Hartford Accident; treasurer, Anna May Ross, A. W. Shell & Co. The association has 50 charter members and is growing rapidly.

Give Mich. Tests in More Cities

LANSING, MICH.—Because of the transportation situation, the Michigan department has decided to conduct agents' licensing examinations on a regional basis, giving the tests in several cities. In addition to the regular examinations conducted at the department offices in Lansing, first-time license applicants will be tested also in Detroit, Saginaw, Kalamazoo, Muskegon, Port Huron and Ann Arbor.

Priest Admitted to Bar

GRAND RAPIDS, MICH.—Denley I. Priest, manager here for the Underwriters Adjusting for 10 years, has passed the state bar examination. He

had been taking a night law course for five years and has gained two law degrees, LL.B. and master of laws. He also was awarded a B.S. degree in business administration from Valparaiso University. He intends to continue in his present position.

Cut Grand Rapids School Cover

GRAND RAPIDS, MICH.—The Grand Rapids board of education has voted a reduction of coverage on school buildings and equipment from \$3,500,000 to \$2,100,000, with concentration of protection on the older buildings. The new program provides \$1,866,000 to cover 22 older buildings, which is less than half the total number of school structures. General was given the new contract. It formerly had one-third of the business.

Silver Awards Presented

Agency Superintendent W. R. Kirk of North British & Mercantile, accompanied by State Agent J. R. McLaughlin, presented a 25-year certificate of appreciation to the W. M. Lowman & Co. agency of Hastings, Neb. It is now managed by W. A. Knickey and C. V. Magnuson. The two men also presented a 25-year certificate to H. M. Higgins of Omaha. He was appointed agent of Commonwealth April 26, 1917.

Agents Aid Oil Registration

LINCOLN, NEB.—A committee of insurance men in all lines, with Merle Loder, president of the Lincoln Life Underwriters Association, as chairman, volunteered for service in connection with registration for fuel oil. Fifty men put in a full six-day week on this public service.

Hear MacClurg at Waterloo

WATERLOO, WIS.—A. J. McClurg, Hartford Accident, spoke on casualty insurance and discussed the new automobile rates at the monthly dinner meeting of the Jefferson County Insurance Underwriters Association here. The November meeting will be held at Lake Mills.

Start Courses in Hutchinson

The Hutchinson (Kan.) Insurance Women joined the local board there in launching a 48-hour educational program of the NAIA. "Agency Management," with Arthur Lewis of Wade Patton & Co. in charge, was the opening course.

NEWS BRIEFS

The title of L. R. Fisher, assistant manager of the Kansas City, Mo., branch office of Travelers Fire, has been changed to acting manager.

Charles H. Pike, Jr., of the Ohio Inspection Bureau, working out of Martinsburg, W. Va., has entered war work and is now stationed at Wheeling.

George L. Steeples, Home, past president of the Kansas Fire Prevention Association, headed the committee that graded the school essays for Alex Case of Marion in the traditional Fire Prevention Week contest the Case agency has sponsored among all schools of Marion county, Kan., for many years.

The Wichita Insurance Women report a membership of 57, of whom 50 are registered for the educational course being launched Nov. 4. Aviation insurance is the first course scheduled. As a war project the Wichita women are equipping a hospital unit at Fort Riley, Kan.

The Insurance Buyers Association of Minnesota will inaugurate its fall and winter activities with a get-together meeting in Minneapolis Nov. 12.

EASTERN STATES ACTIVITIES

Complete Program of Maryland Body

All plans are made for the annual meeting of the Maryland Association of Insurance Agents at the Lord Baltimore Hotel in Baltimore Friday of this week. At the opening session, Guy T. Warfield, Jr., of Baltimore, member of the national executive committee, will discuss "What's Ahead in the National Association?" Frank A. Doyle, secretary Fidelity & Guaranty Fire, has as his subject "What's Ahead in the Marine Field?" John J. Iago, vice-president Fidelity & Deposit, has taken as his topic "What's Ahead in the Surety Field?"

Vice-president W. T. Harper of the Maryland Casualty will be the first speaker in the afternoon, his subject being "What's Ahead in Casualty Insurance?" J. A. Munro, manager foreign department Royal-Liverpool, will talk on "What's Ahead for War Damage?" C. W. Johnson, assistant secretary North America, will talk on "What's Ahead in Fire Insurance?"

A banquet will be held in the evening. Mayor H. W. Jackson will be master of ceremonies. The board of directors will meet following the banquet.

Pennsylvania Directory Just Off the Press

The Pennsylvania Insurance Directory for 1942, published by the United States Review Publishing Company, 500 Walnut street, Philadelphia, has just come off the press. It has been redesigned this year and is presented in attractive form with the information easily accessible.

The directory contains 742 pages with a 58-page addenda. The company section has been enlarged, giving fuller information. The agency and brokerage sections have been corrected to August of 1942. Several new sources of information were used by the United States Review in compiling this information, with the result that the book is one of the most complete ever published by the company. A new feature is the section devoted to insurance organizations in the state. Price of the publication is \$10 per copy.

Buffalo Women Organize

The Insurance Women of Buffalo has been organized, there being 114 present at the first meeting. Marguerite Teigeler, Tremaine & Heussler, was elected president; Charlotte Wiedrich, Tiernon & Co., first vice-president; Helen G. Kennedy, U. S. F. & G., second vice-president; Monica Hoelscher, Enser & Clauss, recording secretary; Adelaide Gielow, Armstrong, Roth, Cady, corresponding secretary, and Harriet Wendelgas, Fidelity & Deposit, treasurer.

The organization meeting was held under the direction of Clara A. MacCubbin, chairman of the national club's organization committee. Charles Epes, president of the Buffalo Board; A. J. Sharron, special agent American, and J. E. Buck, manager U. S. Fidelity & Guaranty, were instrumental in organization of the club.

Plans have been perfected for the organization of the Rochester Insurance Women. A meeting was held there Oct. 20. Another one will be held early in November at which time it is expected that the organization will be established.

Boston Fire Insurance Course

BOSTON—The Insurance Library Association of Boston announces a series of practical round-table discussions on fire insurance beginning Nov. 2, and ending Dec. 21. The course will be conducted by Robert M. Morrison, Bos-

ton attorney and lecturer before many insurance groups.

Emphasis will be placed on the needs of the newer employees, particularly women, in the offices of agents, brokers and companies, and of those who, having been obliged to assume additional duties because of the war emergency, would profit from a refresher course.

Each class will be limited to 30 members with four classes as a maximum.

Rate Board Members Renamed

BOSTON—Governor Saltonstall has reappointed R. S. Robie of Melrose and W. A. Cox of Cambridge as members of the state board of appeal on fire insurance rates. The appointments have been confirmed.

NEWS BRIEFS

Employees of the Fitchburg, Mass., agency of the late William E. Putney will receive 300 shares of stock of the agency, with a total value of \$15,000, under his will.

Utilities District Buys Insurance

OMAHA—In line with recommendations of its insurance committee, the Metropolitan Utilities District, which operates gas, water and ice plants as a governmental subdivision, has directed the purchase from the Omaha Insurance Agents Association of a three-year contract calling for payment of \$13,414, to cover liability and property damage claims between \$25,000 and \$500,000. The district has been operating as a self-insurer, and will continue as such for claims under \$25,000.

COAST

Reinspection for Special Farm Rates Is Dropped

SAN FRANCISCO—The reinspection requirement for reestablishment of special farm rates in California has been suspended by the Pacific Board until Jan. 1, 1944, or the termination of the war. Previously specially rated farm policies could be renewed at the end of the three-year term only upon submission of a new survey completed by the agent, while at the end of a five-year term it was necessary to submit a new survey and photographs of the property. Rates applicable to renewal policies are to be those last established for the agent or broker writing the policy. New or additional buildings on the same farm for which rates were not previously provided will be written under tariff rates.

If the business is transferred from the agent or broker to another, a release from the last agent or broker of record for use of rates must be provided or a new survey completed together with photographs must be submitted to the farm department of the Pacific Board. On any new farm business for special rating, it will be necessary that the agent or broker submit completed survey and photographs.

Suspension of the rule was announced following a series of conferences between agents and representatives of the board in the joint farm committee, which is headed by H. J. Thielen of Sacramento for the agents and S. L. Carpenter, Jr., manager of the board, for the companies. It first became apparent early this year that undoubtedly some concession would have to be made in the survey and photographic requirements, due to the inability of agents and brokers to make the trips necessary to secure the information. However, it was not felt the matter was serious enough to warrant definite action or suspension of the rule un-

til, now when gasoline rationing coupled with the tire restrictions would work a double hardship on the producers.

Farm risks under the special plan of rating have shown a very favorable loss ratio for the past seven years and the board has been able to build a highly efficient file of information with surveys and photographs covering the business which will be coming up for renewal.

Tacoma Bridge Ruling Appealed

OLYMPIA, WASH.—Fidelity & Guaranty Fire has appealed to the Washington supreme court for a reversal of the decision of Superior Judge Meakim of King County, in favor of Millers National, which held F. & G. Fire liable under a \$50,000 policy on the Tacoma Narrows bridge. Loss under the policy was \$38,000.

The lower court held that an F. & G. binder had supplanted the Millers National policy the day the bridge collapsed, but F. & G. contends that the existing policy had not been cancelled because of a 60-day notice requirement in the form. Judge Meakim ruled that LaBow, Haynes Co., brokers for the Washington Toll Bridge Authority, were acting as agents for the Authority in relieving Millers National of its liability and in accepting the F. & G. binder.

The supreme court is not expected to act on the case until January.

Educational Course in Portland

PORTLAND, ORE.—Plans for a continuing educational program, modeled after the recommended course of the National association, were presented to the Portland Association of Insurance Agents at a dinner meeting by Fred E. Jewett, vice-president, who was a delegate to the Chicago convention. The program is set to get under way early in November. The Portland Insurance Women's Association will cooperate. Fifty students already have enrolled and a total of 150 is expected.

President H. C. Pownall also reported on the Chicago convention and Fred C. Reed read a report for George W. Haerle, state director, who was unable to attend.

Steele Talks on Burglary

LOS ANGELES—H. W. Steele, special agent of Royal Indemnity, talked before the Associated Agents Committee on "Let Burglary Insurance Fill the Gap." He analyzed the different burglary contracts and urged agents to familiarize themselves with the forms of this and other allied lines as a means of

securing new business to replace business that is being lost because of war conditions. L. L. Brown, National Automobile Club, reviewed the gasoline rationing situation. W. H. Menn, past president National Association of Insurance Agents, told of the convention in Chicago.

Personnel Problems Before Forum

The Fire Underwriters Forum of San Francisco started its new series of semi-monthly luncheon meetings Oct. 28, with discussions on current personnel policies and conditions. Speakers were K. H. Shaffer, superintendent of personnel Standard Oil Company of California, and Mrs. Mirien Sorensen Bradbury of the Bradbury Placement Bureau. R. B. Masters, Security of New Haven, was chairman.

Seek Credit for Fire-Breaks

Three agents in the eastern Washington wheat country have been appointed on a special committee by President C. P. Carroll of the Washington Association of Insurance Agents to seek rate credits for wheat farms with fire-breaks. On the committee are Harry Paxton, Walla Walla; Gerwyn A. Jones, Walla Walla, and Dan C. Downen, Pullman.

Board to Meet in San Francisco

Because of the war emergency, the semi-annual meeting of the Pacific Board will be held in San Francisco Nov. 5 instead of as usual at Del Monte. Ordinarily these meetings cover two days. However, under present conditions they are being "streamlined" and will require only one day.

Pierce County Agents Elect

TACOMA, WASH.—Charles Morphy has been elected secretary-treasurer of the Pierce County Insurance Agents Association, succeeding Almor Stern of Stern & Stern, who is entering the service.

Suggs Arizona Secretary

W. W. Stone of Phoenix, secretary Arizona Agents Association, has moved to San Diego, Cal., and therefore has relinquished his office. The new secretary is Ernie Suggs, who is head of the Suggs Insurance Agency in the Title & Trust building at Phoenix.

Johnson Shifted to Seattle

Republic of Dallas has appointed M. C. Johnson district manager covering Oregon and Washington, with head-



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quarters in Seattle. He has been in charge of the San Diego district office.

NEWS BRIEFS

Edward Walls, examiner in the Los Angeles office of the California department, underwent an operation for a ruptured gastric ulcer.

The Seattle Insurance Women's Association entertained company and agency executives at its annual "bosses' night" dinner.

SOUTH

North Carolina Concludes Series of Regionals

The North Carolina Association of Insurance Agents has just completed a series of 12 regional meetings, which were very well attended.

The importance of disseminating information to the public concerning war damage coverage was brought to the attention of the agents by H. Pierce North, assistant director of the Business Development Office, New York, the first week, and during the remainder of the meetings was given by Spotswood H. Hunt, state agent for Springfield Fire & Marine, representing the North Carolina Fieldmen's Conference. As a result of the meetings it is planned to have local boards furnish speakers to civic groups, women's organizations and schools on war damage coverage. The field club is cooperating with the association in this program.

John F. Fletcher, manager of the Compensation Inspection and Rating Bureau and the North Carolina Automobile Rate Administration, explained the new automobile rates and the recent reduction in compensation rates in the state. President Frank S. Wilkinson, Vice-president S. L. Gulleger and Executive Secretary S. G. Otstot of the association appeared on the programs.

At one meeting a resolution was adopted requesting the S.E.U.A. to permit the issuance of fire insurance renewal certificates for the renewal of fire policies, if an agent decided to use them. Another resolution asked relief of officers from a mandate by the recent state convention providing they should sponsor a financial responsibility act in the next session of the legislature. This was done due to the present emergency.

War Damage, Auto Rates on Agenda of S. C. Regionals

The five regional meetings which the South Carolina Association of Insurance Agents will hold beginning at Charleston, Nov. 9, will have President W. Ben Dunlap, Rock Hill, and Manager Henry A. Brown, Columbia, on hand. The featured speaker at all the meetings will be H. Pierce North, assistant director of the Business Development Office, New York. The new insurance commissioner of South Carolina, William Egleston, plans to attend each meeting.

War damage insurance sales will be stressed at the sessions. Changes in the new S.E.U.A. forms, the new automobile rate reduction, the association's plan to present an agents' licensing law to the legislature, and other matters will be discussed. Another series of regional meetings is being planned in November for Rock Hill, Anderson, Greenwood, Orangeburg and Sumter.

Municipal Insurance Tax in Ky. Must Be Revised

The last session of the Kentucky legislature passed a law providing the method cities must use when levying taxes against insurance companies. The attorney-general has ruled that any license fee imposed on an insurer by a city which was due before June 1, 1942, is not subject to the new law, but if

Banquet Held by Tennessee Agents



At Tennessee Association of Insurance Agents annual banquet: (Left to right) Jerome Van Wiseman, Insurance Coordination Board, New York; E. Phelps Smith, Gale, Smith & Co., Nashville (toastmaster); E. B. Stahlman, Nashville "Banner," speaker; Mrs. Vernon Sharp, Jr., David A. North, president of National association; Will H. Johnston, D. A. Fisher & Co., Memphis, new president of Tennessee association; Mrs. R. T. Cawthon, operator of the Anderson-Cawthon agency, Franklin, and wife of the state association manager, and Vernon Sharp, Jr., Bransford-Sharp, Nashville, retiring president.

due after that date, it is subject to the statute.

G. H. Parker, manager of the Kentucky Actuarial Bureau, has notified subscribers not to pay a tax that is not in accordance with the new statute.

At the same time Mr. Parker wrote local agents urging that where cities levy a municipal tax on insurers, instead of the city amending its present ordinance to comply with the new statutes, it repeal it. Companies already pay an annual tax of 2½ percent to the state, and it is most unfair for a municipality also to levy a tax, he stated.

Mr. Parker also states that if a city collects a tax from the companies, a sufficient amount is added to the published insurance rate, to reimburse the companies for the amount paid. In one city agents suggested that the tax on the companies be amended to apply to agents. In this case there will be no charge made in the rate, and local agents would have to pay it, according to Mr. Parker.

Outline Okla. Council Plan

OKLAHOMA CITY—At a called meeting of the executive committee of the Oklahoma Capital Stock Insurance Council it was decided to abandon the fall school but to continue the office and secretary in conjunction with the Oklahoma Association of Insurance Agents until Dec. 31. The council will join with the agents association to draft an acceptable agency qualification law, foster favorable legislation and oppose bills inimical to the insurance business in the forthcoming legislature.

In a letter to members, T. Ray Phillips, America Fore, president, urged continuation of a well organized group, in a position to present the insurance picture to the insuring public and authorities. In view of the many members who are entering the service, he said, those who are not privileged to serve the country in this manner can do nothing better than attempt to keep the organization going and retain for those members who are serving their country a well-established business which they can reenter after their return to normal life.

ing better than attempt to keep the organization going and retain for those members who are serving their country a well-established business which they can reenter after their return to normal life.

Courses in Chattanooga, Nashville

Chattanooga and Nashville insurance exchanges, in cooperation with local units of insurance women, will immediately conduct 100-hour courses sponsored by the National association. The Chattanooga school opened Oct. 21. John F. Lee, Tennessee Inspection Bureau, Nashville, was in charge of the first session on "The Standard Fire Insurance Policy and Its Forms." The Chattanooga enrollment has reached 35 with Miss Edna Bowman, chairman of the education committee, representing the women.

Paul Turner, president of the Nashville Exchange, and Miss Edna Mae Gay, chairman of the educational committee of the Nashville Association of Insurance Women, are in charge there.

Push War Damage in Texas

FORT WORTH, TEX.—The officers and directors of the Texas Association of Insurance Agents at a meeting here discussed ways and means of encourag-

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ing the sale of war damage insurance and will urge Texas agents to give every assured full details of the coverage, pointing out the low cost of properly protecting himself from possible war damage. D. A. Clark, Sweetwater, chairman legislative committee, and Richard H. McLarry, Dallas, chairman rates and forms committee, discussed their programs. Due to the uncertainty of transportation, it was decided to not select the 1943 convention city until the February meeting of the directors.

McKown on Okla. Committee

OKLAHOMA CITY.—At a meeting of the executive committee of the Oklahoma Association of Insurance Agents, Dave R. McKown of Oklahoma City was named to succeed K. R. Rone of this city as a committee member. Mr. Rone is now a lieutenant in the navy. Guy Landes, Tulsa, president, and Fred Daniel, Tulsa, a past president, reported on the national convention.

Jackson Exchange Elects

JACKSON, TENN.—Joe S. Gest, elected a director of the Tennessee Association of Insurance Agents at its recent annual meeting, has been reelected president of the Jackson Insurance Exchange. Other officers also reelected are L. P. Harris, vice-president and Wesley F. Jones, secretary.

Ga. Executive Committee to Meet

The executive committee of the Georgia Association of Insurance Agents will meet in Atlanta Oct. 30. Plans for the year's activities are scheduled to be formulated at this meeting, the first since the new executive committee was named.

Southeastern Hail Conference

The Southeastern Hail Conference will hold its annual meeting Oct. 28 in Atlanta.

NEWS BRIEFS

Teresa W. Atkinson, librarian of the Insurance Library of Atlanta, has resigned to take a position as librarian at Ft. Benning, Ga. She had been in the Atlanta position for three years. Marjorie Turner has been employed temporarily to succeed Miss Atkinson. She is a graduate of the Emory Library School.

Jules Schwing, local agent at New Iberia, La., has loaned his yacht to the government for the duration.

With Stanley Lachman, Chattanooga, Tenn., local agent, on a special chamber of commerce committee sponsoring the movement, local agents there are joining "Swap and Share Ride Clubs."

Twenty-five members of the Insurance Women's Club of Oklahoma City went to Tulsa for the guest day events of the Tulsa association.

The Nashville Association of Insurance Women has elected Mrs. Thelma Ellis secretary to fill the unexpired term of Miss Marge Overton. Paul Turner, president Nashville Insurance Exchange, outlined plans for the 100-hour course to be conducted by the exchange in co-operation with the women.

L. A. Tonnies, assistant secretary of Western Fire of Fort Scott, has been visiting Texas agencies.

CANADIAN

James Preston with Pilot

Pilot of Toronto, a Standard Accident affiliate, has appointed James Preston manager of one of its eastern Ontario branches. He was previously branch manager of Union of Paris.

W. E. A. Johnson has been appointed manager of the Ontario branch of Union. He joined Union in 1939 as inspector for

Ontario, having previously been with General Accident more than 10 years.

May Start Operations in Mexico

V. R. Williamson of Toronto, president of Sterling Offices of Canada, is planning to visit Mexico shortly. His organization may start reinsurance operations in that country at an early date.

Aetna Transfers G. L. Pratt

G. L. Pratt, for the last several years special agent of Aetna Fire at Vancouver, has been transferred to the Canadian head office at Toronto.

NEWS BRIEFS

War risk insurance is being taken out on all city-owned buildings of St. John, N. B., whether in the city or county.

Gibraltar Fire & Marine has been licensed in Alberta.

City of New York Will Not Pay Usual Dividend

The City of New York some weeks ago postponed action on its semi-annual dividend, which has usually been paid on Aug. 1. The officers announce that no further dividends will be paid in 1942. This was decided on in view of the dividend limitation imposed by the New York insurance laws, with consideration given to the reduced surplus position brought about by securities depreciation the first six months of 1942. As of July 1, it showed assets of \$4,973,920, surplus \$538,866, and capital \$1,500,000. The statutory underwriting profit for the six month period was \$63,048 with net investment income of \$127,842. Net depreciation in security values for the period was \$312,842.

To Hold Cal. Conferences on Code Proposals

A rating bill to prevent discrimination and patterned after the New York law, covering fire, casualty and allied lines is being drafted by the California department for submission to legislative conferences to be held up to the end of the year. The legislature will convene in January. A rating measure probably will not be included in the department's recommendations unless there is a possibility it would be introduced.

Companies, under another proposal, would be permitted to make agreements among themselves, subject to approval of the commissioner, on any phase of their business, including rates, acquisition cost and trade practices.

There are other suggestions received by the department which will be placed on the agenda by Oct. 30, ready for the first conference which has been set for Nov. 16 covering life and disability suggestions. Other conferences and their dates are: Fire and marine Nov. 17, casualty and surety Nov. 18, agents, brokers, solicitors and production laws Nov. 19, investments, administrative and miscellaneous Nov. 30.

The revised and final drafts of suggestions, following the conferences, will be mailed to all interested persons Nov. 30, and a general meeting to consider all proposed legislation will be held Dec. 15.

List Field Men's Speaking Dates

LOS ANGELES—John Gurash, American Surety Co., who is chairman of the program committee of the Casualty & Surety Field Men's Association of the Pacific Southwest, has arranged these dates for members of the association to speak: Nov. 4, Glendale, Hugh B. Johnson, Aetna Casualty, "Accident Insurance;" Nov. 5, Pasadena, Albert Peacock, Massachusetts Bonding, "Selling Automobile Insurance;" Jan. 5, Pasadena, C. C. Cattermole, Great American Indemnity, and Otto Kloppenburg, Hartford Accident, alternate, "Selling Personal Liability Lines;" Jan. 7, Pasadena, Joe Brook and Glen J. Huntsberger, Jr., Hartford Accident, "Fidelity Bonds."

MOTOR

Texas Opinion on Tire Adjustments

The Texas Association of Insurance Agents stated that it had been reported that loss adjustments on automobile tires had to be made on the basis of the ceiling price for second hand tires. This was submitted to the Office of Price Administration at Dallas and a letter was received from Regional Price Attorney T. E. Mosheim giving his opinion as follows:

"While it is true that any person selling either a new, used, or recapped tire is forbidden to sell same at a price above the ceiling prescribed by the applicable price regulation, it has been the attitude of the Office of Price Administration that the adjustment of an insurance company for the theft or destruction of a tire is not covered by our regulation, as it does not constitute either a sale or delivery of a tire. Of course, should the insurance company subsequently recover the tire and wish to sell it, then in such sale the insurance company would be bound by the applicable maximum price regulation."

Whipple Assistant Inland Marine Manager of N. H.

New Hampshire Fire has appointed Gregory B. Whipple assistant manager of the inland marine department.

Mr. Whipple has had many years experience in the marine business. He has been for 12 years in the marine department of Royal in various underwriting and field capacities.

See Enlargement of Merchant Marine

(CONTINUED FROM PAGE 1)

event of dispute over a loss. If pressure were brought to take away the insured's complete freedom of choice as to whether he will insure in the American or the British market there very well might be strong pressure from the insured to have American rates brought down to the British level.

Expenses of doing business are higher in the United States than in Great Britain. Consequently if American rates were forced down to the British level the American insurers would get more business but make less money. It is for reasons like this that many underwriters are extremely leery of any efforts, however well intentioned, to tinker with the economic law of supply and demand.

Appreciation of Insurance Work

Admiral Vickery expressed the government's appreciation for the work of the insurance business in providing a war risk market in the period before the government plan was set up and for the companies' cooperation in acting as underwriting agents for the WSA's open policies on imports.

Hear Many Practical Talks

(CONTINUED FROM PAGE 3)

saved, he suggested, by segregating duties of the office girls so that one girl performs the same type of task at a given period during the day instead of scattering efforts, skipping from one operation to another. A careful check on renewals will often avoid doing work twice which is necessitated by having to change a completed daily report or policy. To meet employment needs, he commended the plan of employing third year commercial high school girls to work after school and during the summer in preparation for full time work after completing school. Many of the offices are calling back married women whose husbands are in the armed services or who are able to leave household duties.

Mr. Fisher urged that all agents set up an unearned commission fund to take care of future cancellations. He believes this fund should be about 25 percent of the commissions earned. Not only does the agent face reduced automobile premiums but the reduction in inventories and the closing of many small businesses will affect the agent's income. Unless the agent prepares himself to meet withdrawals, he may become seriously disturbed and unable to do soliciting effectively.

Carroll K. Steele of Gloucester, Mass., who has been national councillor and treasurer, was elected national director.

Bernard Levy of Samuel Levy & Son, Lake Charles, La., has joined the colors. Miss Carrie Neely will assist in carrying on the agency during his absence.

D. H. Mizer, Western Adjustment, Topeka, Kan., has joined the aviation ground crew of the naval reserve. He will probably be stationed at the Hutchinson, Kan., air base during his training.



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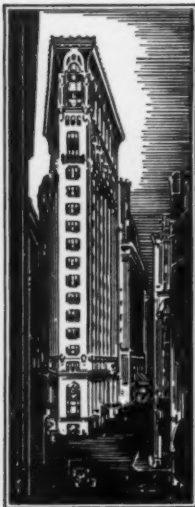
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